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Automotive News®

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Dealers hold bag as American Warranty quits

CONTRACT Casualties

By Charles M. Thomas and Jim Henry
AUTOMOTIVE NEWS STAFF REPORTERS

The beleaguered vehicle service contract industry got another jolt Friday when American Warranty Corp. told car dealers it was tottering on the verge of collapse.

Dealers could be stuck with millions of dollars in unfunded car repairs.

"In the last three years, more than 15 extended service contract administrators have gone out of business," American Warranty President Robert Lustbader told dealers at a meeting in New York. "I regret to say that American Warranty got caught up in this turmoil."

American Warranty is one of the oldest companies, started in 1971.

In meetings at five hotels on Friday, Lustbader made dealers an offer hard to refuse. He said American Warranty would return to them 40 percent of the existing reserve fund to cover repair costs. The remaining 60 percent would go to cover American Warranty's existing liabilities.

The hitch: Dealers would have to accept the risk for future liabilities. They could administer the service contracts themselves or find another extended warranty administrator to do it for them.

Dealers will probably incur hefty losses on future claims in either case, even though American Warranty says the money it returns to dealers will cover repairs.

Sources said reserves amount to about $20 million, so the immediate payout to dealers would be $8 million.

American Warranty, based in Lincolnwood, Ill., has been selling service contracts through car dealers in 36 states and is licensed to sell in all 50.

Lustbader played a nervy game of chicken with dealers. He said the alternative is liquidation of American Warranty by the Illinois Department of Insurance.

He conceded that could possibly

see WARRANTY, page 62

AUTOMOTIVE NEWS/JOE WILSKERS

Sign of the times

Chevrolet Motor Division headquarters in Warren, Mich., have a new identity that reflects the contribution made by a new member of the team. Workers last week replaced the Chevrolet sign with a version that includes Geo.

Distributor battles Toyota attempt to control territory

By Kristine Stiven Breese
AUTOMOTIVE NEWS STAFF REPORTER

LOS ANGELES — Toyota Motor Sales U.S.A. Inc. says it can to a better job in five Eastern states and has set out to take over its longtime distributor, Mid-Atlantic Toyota.

Toyota told Mid-Atlantic on June 20 that its Toyota Motor Distributors subsidiary will assume all distribution responsibilities for the region and acquire Mid-Atlantic's assets Oct. 1

Despite an earlier agreement setting terms for a buyout, Mid-Atlantic Toyota Distributors Inc. said it was shocked by the move and promised to fight it in court.

The legal battle intensified last week when Toyota secured a court order preventing Mid-Atlantic from filing suit outside California. Fred Weisman Co., the owner of Mid-Atlantic, dodged the order with a technicality and sued last Wednesday in Baltimore.

The conflict pits flamboyant businessman Fred Weisman, 78, against the nation's leading Japanese auto retailer. In an added twist, Robert McCurry, Toyota Motor Sales executive vice president, is a former Mid-Atlantic general manager. He left after a dispute with Weisman in 1981.

For Toyota dealers, the takeover could be seen as a chance to be on equal footing with those dealers in other areas who deal with Toyota directly. Others dealers prefer to work with a middleman who understands the region and speaks for its dealers in a unified voice.

Mid-Atlantic, based in Glen Burnie, Md., serves 123 Toyota dealers in Pennsylvania, Delaware, Maryland, Virginia, West Virginia and the District of Columbia.

Weisman Co. claims Toyota is bullying the distributor and that Toyota misled Mid-Atlantic into believing the relationship was on solid ground. Weisman also charged that the company's prod-

see TOYOTA, page 61

Ford steps up ads to fight Chevrolet sales challenge

By Laura Clark
AUTOMOTIVE NEWS STAFF REPORTER

With Chevrolet breathing down its neck, Ford Division will kick in an additional $11 million to strengthen its dealers' advertising hand from mid-June until the end of August.

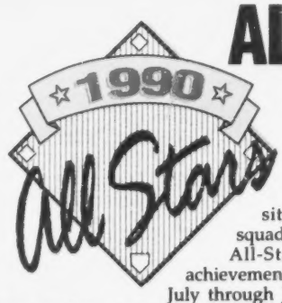
Ford officials announced their decision to dealer ad associations and ad agency representatives at a Ford Dealer Advertising Conference in LaCosta, Calif., last week.

Lincoln-Mercury sources say that division will give an additional $6 million to its Lincoln-Mercury Dealer Association groups during July and August. L-M dealer associations will use the money to advertise their "Showtime Celebration" sales promotion, according to the L-M sources.

Persons who attended the Ford Dealer Advertising Conference said Ford Division wants the entire $11 million in factory money spent on cars. Sources say the "special bonus" (presumably the $11 million) will apply to ads run from June 18 to Aug. 31. Dealer associations must match factory contributions. The amount dealer associations receive depends on how much they spend. The money must be spent by the end of August.

see FORD ADS, page 59

ALL-STARS: *Eiji Toyoda leads our annual industry ballot*



General Motors and Toyota Motor Corp. rule 1990's *Automotive News* All-Star Team.

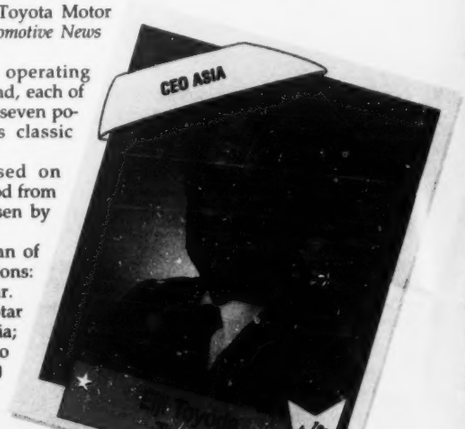
Including their operating units here and abroad, each of the auto giants gained seven positions on this season's classic squad.

All-Star selections are based on achievements in the 12-month period from July through June. Winners are chosen by votes of the *Automotive News* editorial staff.

Leading the 1990 dream team is Eiji Toyoda, chairman of Japanese auto company Toyota, who captured two positions: chief executive officer Asia and industry leader of the year.

Other players from Team Toyota who made the All-Star team are: Shoichiro Toyoda, chief operating officer, Asia; Robert B. McCurry, Asia firm's import executive; Makoto

see ALL-STARS, page 20



Safety hardliner

For 14 years, soft-spoken Clarence Ditlow, executive director of the Center for Auto Safety, has faced critics who say he's an engineering illiterate who lives only to feed — and be paid by — hungry lawyers. Story on Page 3.

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The Cressida, shown at left, will be replaced in the United States by an all-new Crown, a higher-priced entry in Toyota's home market. It will replace the current Crown, right, which received a facelift last year.

NEW TOP TOYOTA

New wide Crown from Japan lineup will replace Cressida

By Mary Ann Maskery
AUTOMOTIVE NEWS STAFF REPORTER

TOKYO — Toyota Motor Corp. will replace its flagship Cressida in the United States with the Crown, a car that ranks above Cressida in Japan, within the next 12 months, *Automotive News* has learned.

The Crown, which is due for a full body change, perhaps as early as November, was upgraded with a V-8 engine and facelift a year ago. The wider, more powerful Crown is scheduled to be sold by U.S. Toyota dealers.

A Toyota source confirmed the change, though it was denied by official sources in Japan and the United States.

For years the Crown has been an awkward-looking, Japanese-style luxury car. Its narrow dimensions were forced on it by tax regulations. But when tax reform took effect in April 1989, it not only lightened the tax burden on large cars, but also gave a sociological go-ahead to larger vehicles.

A wide-body Crown is now available, but it is built on the old, narrow chassis. At 69 inches, it is nearly 2.5 inches wider than the regular Crown.

Cressida was widened from 66.5 inches to 67.3 inches in its latest overhaul, but that remains short of what Toyota considers its primary competitor, the Acura Legend, which is 68.7 (coupe) and 68.9 (sedan) inches wide.

Cressida, although well received in other aspects, was considered too cramped in the interior, according to the Toyota executive.

It has been selling in the United States at the rate of just over 20,000 a year. The company hopes Crown will do better.

An earlier Crown was sent to the United States in small volume when Toyota began its export operation. It was deemed unsuitable for America and was soon withdrawn. The car was exported to Europe in the 1960s and 1970s, but it was not a sales success there either.

Transplant wages will rise to match any gains at Big 3

By Kathy Jackson
AUTOMOTIVE NEWS STAFF REPORTER

Honda of America Manufacturing Inc. had a goal last year: outperform and out-pay Ford Motor Co. in employee profit sharing checks.

Honda met its objective. Its workers received an average $1,601 in 1989 profit sharing, compared with $1,025 for Ford workers.

"The year before, Ford won," said Honda spokesman Roger Lambert. "So we decided to get into a contest with Ford on that issue."

Honda, a non-union shop that hopes to remain that way, plans to keep the contest close.

"We don't live in a vacuum; we're aware of what the industry is doing," Lambert said. "We intend to be competitive, and we know we are."

"Competitive" means more than making competitive cars. It means offering wages and benefits in the same ballpark as the unionized Big 3 automakers.

When the UAW and the Big 3 negotiate a new national contract this summer, the transplants will not be far behind, whether unionized or not.

Big 3 officials say they can't add to labor costs because they have to compete with the Japanese transplants. And no matter how high the wages and benefits, the transplants will still enjoy cost advantages of having newer work forces.

Says Ford spokesman Dick Routh: "The transplants have no pensions, little vacation and little health care to pay."

Of the seven U.S. transplants, four have no retirees, Honda has fewer than 100; Nissan Motor Manufacturing Corp. U.S.A. has one, and New United Motor Manufacturing Inc. (NUMMI) has four.

Based on figures supplied to *Automotive News* from the manufacturers, the unionized shops still pay the best hourly wage rates.

Counting purely straight wages including cost of living allowances, NUMMI, the General Motors-Toyota Motor Corp. joint venture, pays the highest hourly rate for production workers, followed by the Big 3 and then the other transplants. NUMMI also pays the highest wage for skilled trades workers, followed by Ford and GM.

But add all cash components such as bonuses and profit sharing, and some rankings change.

See WAGES, page 60

PRODUCTION WORKER PAY

Table assumes straight-time work of experienced worker, plus all bonuses and profit sharing

Plant	Annual Income
Ford	$37,434
NUMMI	36,013
GM	35,462
Chrysler*	35,371
Honda	33,685
Mazda	32,970
Nissan	32,579
Toyota	29,598
SIA	28,995
Diamond-Star	28,038

Source: Company information

* Chrysler figure based on an average that includes higher-paid skilled-trade workers

GM, Chrysler join Ford price hike

DETROIT — Despite sluggish sales, General Motors and Chrysler Corp. have followed Ford Motor Co. in raising prices. The GM and Chrysler hikes are effective today.

GM prices went up an average of $83, or 0.5 percent, on cars and light trucks. The car boosts range from $66 on intermediate models like Chevrolet Lumina and Oldsmobile Cutlass Supreme to $165 on Cadillac DeVille.

Chrysler's increases range from $60 on Dodge Daytona and most Chrysler LeBarons to $160 on Chrysler Fifth Avenue and Imperial. Plymouth Voyager and Dodge Caravan minivans went up $118.

Chrysler did not raise prices on Plymouth Sundance/Dodge Shadow and Dodge Monaco/Eagle Premier. Also unaffected were Plymouth Laser and Eagle Talon.

Chrysler and GM followed Ford Motor Co. along the price path. On June 15, Ford raised prices of most cars $58 to $123.

GM and Chrysler hiked destination charges. GM's went up $10 across the board. Chrysler's rose $30 on Fifth Avenue and Imperial and $15 on others. Monaco and Premier are unchanged.

The Big 3 raised prices despite lackluster sales. Through May 31, deliveries of domestic cars were down 17.46 percent for Chrysler, 12.23 percent for Ford and 6.07 percent for GM, compared with the first five months of 1989.

Industry price analysts consider price hikes at this time of the model year an effort to lessen the amount of the price increase for the upcoming model year.

HIDDEN IMAGE/HANS G. LEHMANN

Awareness of the forthcoming facelift for the XJ-S, which has not been restyled since its debut 15 years ago, has been a factor in the 22 percent drop in British Jaguar registrations in the first five months of this year. Only minor exterior changes are planned for the new model, as can be seen the photograph above.

JAGUAR: *U.S., Europe sales buck downslide trend, but chief Hayden says there's much to do*

By Daniel Ward
STAFF CORRESPONDENT

COVENTRY, England — William J. Hayden, the former Ford of Europe manufacturing vice president, is firmly at the helm of Jaguar after a three-month handing-over period.

The new chairman and chief executive admits that "there is a fair amount to do."

The original forecast for Jaguar sales in the United States this year was 20,000 units. The total now is expected to be "closer to 19,000."

Hayden

Jaguar bucked the trend in the first five months of this year in the United States, with sales climbing to 7,918 from 7,477 for the same period last year.

Hayden has already visited America twice to talk to Jaguar's U.S. dealer council and to spend time at a number of dealerships. In September, he will fly to Japan to see Jaguar dealers.

The U.S. dealers were "staggered by my honesty," Hayden says. He was pleased by the decision of several dealers to go ahead with major investment in new facilities, a decision they had held in abeyance while waiting to assess Jaguar's prospects under Ford ownership.

Reaction from the U.S. dealer council to a long and detailed presentation was "extremely positive," Hayden says. They took the

see JAGUAR, page 62

Pres. Bush moves his lips; imports call for carbon tax

By Diana T. Kurylko
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — President Bush's softened stand against higher taxes has boosted the auto import contingent's hopes of garnering support for a so-called carbon tax.

The president last week strayed from his campaign pledge of no new taxes and said higher tax revenues may be needed to reduce the federal budget deficit. This could lead to higher consumption taxes on such items as gasoline.

The Motor Vehicle Manufacturers Association said if the current federal gas tax of 9 cents a gallon were to rise to 25 cents, it would have little impact on car sales.

"There are far more serious issues for us to worry about," said Tim MacCarthy, a lobbyist for the Motor Vehicle Manufacturers Association.

But import interests have been pushing the idea of taxing fuels on the amount of carbon they contain.

The American International Automobile Dealers Association and the Association of International Automobile Manufacturers believe a carbon fee is a better way to discourage the driving of gas-hungry cars than a higher corporate average fuel economy standard.

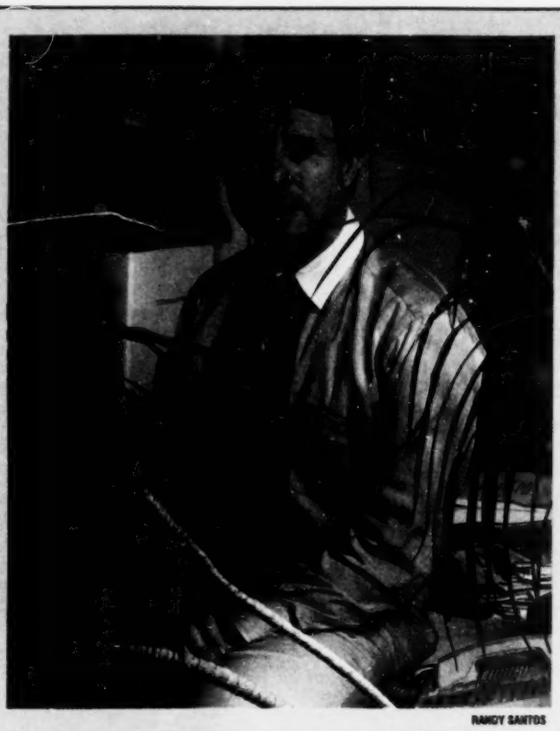
"Several months ago we didn't know if (a carbon tax) was viable," said Walter Huizenga, president of AIADA. "Now that the administration had indicated a willingness to look at tax increases, we want to put this forward as a method of regulating fuel economy."

Huizenga said import dealers and manufacturers would otherwise not support a gasoline tax.

A bill proposing a carbon tax, which would translate into about 8 cents per gallon of gasoline, was introduced in May by Rep. Pete Stark, D-Calif. The legislation is receiving serious consideration in the House Ways and Means Committee, said a spokesman for Stark. But he warned that Stark proposed the tax to address global warming, not as a deficit-reduction tool. Carbon dioxide, a byproduct of burning gasoline, is thought to contribute to global warming.

Correction

In a table in the June 25 issue, the May 1990 imported-car sales figures for Geo Metro and Geo Storm were reversed. The correct totals are 3,970 for Geo Metro and 9,680 for Geo Storm.



RANDY SANTOS

Clarence Ditlow, the executive director of the Center for Auto Safety, may be soft-hearted when it comes to his office palm tree, but when you're talking automakers, he's 100-percent tough guy.

DITLOW: *Safety czar is thorn in industry's paw*

By Diana T. Kurylko
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — Clarence Ditlow III winces as he tries to explain the twisted palm tree that commands a prime spot in his cluttered office.

He could have easily tied the trunk to a pole to set it straight, but "somewhere along the line, I didn't exercise enough discipline," he says with a smile. "I'd do that if I was a tough guy, but I'm not a tough guy."

Tell that to the auto companies.

For 14 years the soft-spoken executive director of the Center for Auto Safety has been a thorn in the industry's paw.

Last week was no different. On Monday, Ditlow joined other safety advocates in calling for a Jeep CJ recall. Later in the week, he was knocking at the Federal Trade Commission's door and accusing Nissan of offering secret warranties.

The center celebrated its 20th anniversary last month. Ditlow, 46, has endured in the face of critics in the industry and the automotive buff press who say he's an engineering illiterate who lives only to feed — and be paid by — hungry trial lawyers.

In another camp are people like Vernon R. Brinkley, a Virginia printer. He blames a defective rear tailgate on his 1979 Jeep Wagoneer for strangling his 13-year-old son, Howell Keith, a decade ago.

Brinkley settled his suit out of court and had just about

see DITLOW, page 42

Mitsubishi tags Eclipse for Europe

By Lindsay Chappell
AUTOMOTIVE NEWS STAFF REPORTER

Mitsubishi Motors Corp. is finalizing plans to sell its U.S.-made Eclipse coupe in Europe.

If regulatory approval is granted in the next few months, Mitsubishi could become the first Japanese carmaker to export a U.S.-made vehicle to Europe.

With 60 percent U.S. content, the Eclipse would count as an American product for trade purposes in many European markets, sidestepping restrictions against Japanese imports. Ironically, the 60 percent U.S. content makes the car an import in the United States.

A spokesman for Mitsubishi's U.S. operations said the as-yet incomplete export plan will probably involve shipping about 200 Eclipses a month that will be divided among United Kingdom, Germany, Switzerland and Austria. The company believes Germany will be a particularly strong market, based on projections from dealers there, he said.

Earlier this year, Honda of America Manufacturing Inc. said it will export its new Accord station wagon to undetermined European markets in the 1991 model year. But it now appears that Mitsubishi could be the first U.S. transplant manufacturer to send Japanese-badged cars to Europe. The Ford Probe, built by Mazda Motor Manufacturing (USA) Corp., is scheduled to be sold in Germany late this year.

Mitsubishi is producing about 6,800 Eclipses a month at Diamond-Star Motors Corp. in Normal, Ill., a 50-50 joint venture with Chrysler Corp. The Japanese carmaker already exports a small number of the cars to Japan and Taiwan and expects to sell about 80,000 Eclipses through U.S. dealers this year.

As many as 200 Mitsubishi Eclipse cars may be sent monthly to Western Europe from Diamond-Star Motors in Illinois.

Chrysler also gets about 6,800 Eclipse-based Plymouth Lasers and Eagle Talons a month from the plant and has alluded to its own interest in exporting those models to Europe. A Chrysler spokeswoman said, "Europe possess some interesting opportunities for our Diamond-Star Motors cars, but at this point we have neither a final decision nor a timetable."

Trial production of Honda's Accord wagon has begun — slightly ahead of schedule — at Honda's Marysville, Ohio, plant, the exclusive manufacturing site for the wagon. Plans call for mass production to begin in November.

In previous cases where Honda has exported a North American-made vehicle to Asia, the car was distributed to U.S. dealers first. If the company holds to that procedure, exports of the wagon would not begin before early 1991.

The Mitsubishi spokesman said the export program depends on regulatory clearance by each country on such matters as vehicle emissions, bumper standards and signals. He said no problems are likely, especially regarding emissions, because U.S. requirements are stricter than Europe's.

Each Japanese plant in the United States either has plans to export vehicles to Asia or has begun shipments.

In addition, Nissan Motor Manufacturing Corp. U.S.A. said it has considered exporting its upcoming redesigned Sentra to Europe from Tennessee, but has no current plan.

KOREA'S EXPORT SLUMP

What goes up must come down. But with the export machine out of steam, many are starting to ask, 'How far is down?'

By Oles Gadacz
STAFF CORRESPONDENT

SEOUL, South Korea — As recently as 1988, the sky seemed the limit for the Korean Big 3 — Hyundai Motor, Kia Motors and Daewoo Motor.

They were riding high. Their sales in the United States shot through the roof as $3.7 billion worth of Korean-made cars — 576,134 units — were exported worldwide that year.

The Japanese and the U.S. Big 3 were rattled by the fast inroads made by the Koreans, and many automotive analysts pondered the Korean threat to take over the subcompact market.

Those foreign fears and Korean enthusiasm began to fade in 1989 as the Korean export machine ran out of steam. Exports dipped to 356,050 units valued at $2.7 billion.

The situation has deteriorated further this year. In the first four months of this year, 85,594 units were exported, according to the Korean Automobile Manufacturers Association. That was an average of 21,399 a month compared with 29,671 a month in 1989 and 48,011 a month in 1988.

Many are wondering what has happened to Korea's showcase industry and whether it will recover.

It might be rash to rule out the Koreans as a spent force, given the disciplined, well-educated nature of the work force and the im-

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Chrysler has high hopes for 3rd rental firm

By Mary Connelly
AUTOMOTIVE NEWS STAFF REPORTER

Chrysler Corp. anticipates a substantial increase in sales of vehicles to Dollar Rent A Car Systems Inc. following the automaker's purchase of the rental company this summer.

Pentastar Transportation Group Inc., a wholly owned subsidiary of Chrysler Corp., is expected to complete the purchase of the Dollar rental system by Aug. 15.

The two companies said last week that purchase agreements have been signed. The purchase price was not disclosed.

Dollar is nearly twice as large as Thrifty Rent-A-Car System Inc., which Chrysler bought for $263 million in 1989. Dollar, which has about 1,000 locations, had revenue of $600 million in 1989. Chrysler in 1989 also bought Snappy Rental Inc. for $40 million.

Chrysler vehicles now represent 20 to 25 percent of Dollar's average rental fleet of 80,000 vehicles, according to a Chrysler spokesman.

A spokesman for Pentastar Transportation Group said the company anticipates that 70 to 80 percent of Dollar's fleet will be Chrysler vehicles within a year. More than 95 percent of Dollar's franchisees are independent operators, and Pentastar is aware that "they can't be forced to buy Chrysler products."

"But we have the ability to structure the marketing arrangements that will make the franchisees want to tie into Chrysler products," the spokesman said. "It is more than car and price. It has everything to do with delivery, vehicle mix, national advertising, order handling, how we service the franchisee. We plan to structure a very competitive package."

Said the Chrysler spokesman, "If you have the keys to the house, you don't have to stand on the porch knocking." But he spokesman cautioned that the number of additional sales made to Dollar will depend on the competitiveness of the daily rent-a-car market.

Earlier this year, Chrysler attributed part of its current sales decline to the company's unwillingness to cut profits by discounting daily rental fleet units. For example, Chrysler allowed Thrifty to purchase a large number of vehicles from Mitsubishi Motors Corp. rather than purchase higher-priced Chrysler vehicles.

"When we couldn't compete on price, we didn't compete," the Chrysler spokesman said.

Chrysler's three rental car systems are expected to continue to operate independently and to complement each other.

Dollar has operations at airports, while Thrifty is an off-airport network. Snappy supplies temporary replacement vehicles for persons whose cars have been stolen or are being repaired after a collision.

Value deal final

CYPRESS, Calif. — Mitsubishi Motor Sales of America Inc. has completed its purchase of a controlling interest in Value Rent-A-Car Inc. last week, becoming the first automotive importer to take control of a daily rental company in the United States.

Mitsubishi hopes the acquisition of the Deerfield, Fla.-based company will increase awareness about its products and provide low-mileage vehicles for Value's used-car operations. Value has 25 locations in Florida, Georgia, [illegible], Alabama, Colorado and Arizona.

— Roger Lenz, Detroit

Alabama may be home to Nissan engine plant

By Lindsay Chappell
AUTOMOTIVE NEWS STAFF REPORTER

THACH, Ala. — Nissan Motor Manufacturing Corp. U.S.A. is considering building an engine plant near this north Alabama farming crossroads.

The No. 2 Japanese carmaker is using a local industrial-development agency to quietly stake out as much as 1,000 acres for a plant between Thach and Athens, Ala. The site is about 90 miles south of Nissan's existing U.S. plant, in Smyrna, Tenn.

A spokeswoman for the manufacturer acknowledged only that Nissan is conducting a "feasibility study" for an Alabama plant and is conducting similar studies at numerous sites.

If approved, Nissan's second plant will produce major engine components, complete with machining and assembly, said Gail Neuman, general counsel for Nissan Motor Manufacturing. The plant will not have component-casting capabilities, she said.

Residents in the area, known for its rich cotton fields, confirmed that they have been approached by the Athens-Limestone County Industrial Development Association — a local economic development agency — on behalf of Nissan, seeking to option approximately 1,000 acres.

One landowner said he was told that Nissan wanted to build a vehicle-assembly plant, employing up to 4,000 workers.But Neuman said that no vehicle plant is under consideration and that the components facility in question would employ "nowhere near that many people."

Nissan currently assembles four-cylinder engines in Smyrna from Japanese components to supply the 120,000 Sentras it builds annually. In 1992, the Smyrna plant will also begin producing about 240,000 Stanzas annually.

At the same time, Nissan has committed to supply about 135,000 six-cylinder engines a year to Ford Motor Co. for a new minivan to be assembled by Ford in Avon Lake, Ohio, for both companies.

Nissan currently produces pickups in Smyrna with engines imported from Japan and Mexico.

News of the carmaker's activities has already ignited a land speculation boom of sorts in and around Thach. In the past two weeks, asking prices for some commercial property in nearby Athens rose from $5,000 an acre to $25,000 to $30,000 an acre.

Mid-June car and truck sales rise

Extra selling day helps makers, but Chrysler slips anyway

By Kathy Jackson
AUTOMOTIVE NEWS STAFF REPORTER

Every domestic automaker except Chrysler Corp. posted a sales gain for mid-June, boosting total vehicle sales 8.49 percent over last year.

Both car and truck sales were up for the 10-day period, but an extra selling day accounted for the gain in each category. There were nine selling days in mid-June this year and eight in 1989. The daily vehicle selling rate was down 3.57 percent.

Japanese transplant sales generally soared in the 10-day period.

Overall, mid-June sales totaled 339,797 — 211,023 cars and 128,774 trucks. Car sales were up 7.71 percent; truck sales rose 9.79 percent.

But the daily selling rate showed a dip of 4.26 percent for cars and 2.41 percent for trucks.

General Motors and Ford Motor Co. needed the extra day to top last year's performance in both cars and trucks.

GM's car-truck sales were up 6.01 percent, paced by Pontiac and Cadillac. Pontiac's car sales jumped 45.33 percent. Sunbird and Grand Prix were especially hot, up 71.89 percent and 127.78 percent. Cadillac posted a gain of 36.76 percent.

Sales of the Geo Prizm and Lumina continued to soar, but Chevrolet's total car sales were down 5.87 percent.

On a daily-rate basis, GM's car-truck sales were off 5.77 percent from last year.

Led by a 16.97 percent increase in truck sales, Ford Motor Co.'s total vehicle sales rose 9.95 percent. But Ford's daily selling rate for cars and trucks was down 2.27 percent.

Sales of the Ford Escort, Taurus, Thunderbird and Probe, which had been lagging most of the year, rose slightly. The Lincoln Town Car continued to sell well.

Chrysler Corp's's sales slumped 4.97 percent with cars off 8.03 percent and trucks down 1.96 percent. The daily selling rate for cars and trucks dipped 15.53 percent.

The Chrysler brand was Chrysler Corp.'s only gainer on the car side. Dodge trucks were up, and so were Chrysler and Plymouth minivans.

Each of the transplants reported car sales increases on both an absolute and a daily-rate basis.

Toyota chalked up an advance of 83.75 percent in sales of U.S.-built cars. Honda, up 81.94 percent, was next. But Honda was the volume leader, 11,280 to 7,936.

Mitsubishi's sales rose 70.71 percent, and Mazda notched a gain of 53.89 percent in sales of U.S.-built cars. The 626 series did the job for Mazda; sales of the MX-6, Mazda's only other domestic car, fell 41.38 percent.

Nissan had a healthy rise in both car and truck sales. Car deliveries rose 34.44 percent, and truck sales moved up 22.03 percent.

10-DAY SALES

DOMESTIC BUILT

	June 11-20, 1990	June 11-20, 1989
CARS		
Eagle	1,370	1,399
Chrysler	7,083	6,046
Dodge	9,568	12,330
Plymouth	6,847	7,265
CHRYSLER MTRS.	**24,868**	**27,040**
Ford	42,095	39,475
Lincoln	5,986	5,463
Mercury	10,006	10,430
FORD MOTOR	**58,087**	**55,368**
Buick	15,194	17,180
Cadillac	7,801	5,704
Chevrolet	43,896	46,634
Oldsmobile	14,965	15,111
Pontiac	20,525	14,123
GENERAL MTRS.	**102,381**	**98,752**
HONDA	**11,280**	**6,208**
MAZDA	**1,562**	**1,015**
MITSUBISHI	**1,492**	**874**
NISSAN	**3,182**	**2,352**
SUBARU	**255**	**—**
TOYOTA	**7,936**	**4,319**
U.S. CAR TOTAL	**211,823**	**195,928**
TRUCKS		
Chrysler	58	32
Dodge	15,325	13,928
Jeep	5,869	8,023
Plymouth	5,729	5,537
CHRYSLER MTRS.	**26,981**	**27,520**
FORD MOTOR	**48,415**	**39,880**
Chevrolet	40,154	38,873
GMC	9,438	8,376
Oldsmobile	813	—
Pontiac	895	—
GENERAL MTRS.	**51,300**	**47,249**
ISUZU	**610**	**—**
NISSAN	**3,468**	**2,842**
U.S. TRK. TOTAL	**128,774**	**117,291**
U.S. CAR-TRUCK TOTAL	**339,797**	**313,211**

There were 9 selling days in the period this year and 8 last year.

Panther has halted production of its Kallista two-seater in order to concentrate on the introduction of the Solo, pictured here.

CAGED PANTHER

Solo delayed again; composite body supply woes continue

By Daniel Ward
STAFF CORRESPONDENT

LONDON — The Panther Solo sports car, already nine months late, has hit more roadblocks.

Panther Car Co., owned for the past three years by Ssangyong Group of South Korea, has undergone a change of top management and the work force has been cut from 133 to 105.

The first Solo should have been delivered to a customer last October, but it was delayed four months because of the need to re-source the chassis from a British supplier to Ssangyong in Korea. Panther confirms that only one further car has been delivered.

Panther announced within the past month that it will halt production of the nostalgia-style Kallista two-seater in order to concentrate on the introduction of the Solo sports model.

Ssangyong has decided to build a pilot run of 24 Kallistas at the Pyongtaek plant of Ssangyong Motor, with a view to possibly putting the vehicle into full production. The Korean company previously built Kallista bodies and chassis, which were then shipped to Panther's Harlow, England, factory for assembly.

Panther is facing major problems with the supply of the high-technology composite body for Solo. It is proving very difficult to make to the required quality, according to sources at Panther.

Mike Newman, Panther managing director for the past three years, left the company a few weeks ago, according to his successor, B.U. Kim, who was previously Panther finance director.

It is understood that Newman's failure to bring the project to production resulted in his contract not being renewed.

The enduring production problems raise the question of how long Ssangyong will fund Panther. According to one informed source, losses have now climbed to £30 million ($51.5 million).

Kim would only comment, "During the development period of Solo and with Kallista production not contributing sufficient profits, Panther Car Co. was in need of operating capital.

"However, the company expects to turn around with the successful Solo and its future evolution models."

Automotive News Staff Correspondent Oles Gadacz in Seoul, South Korea, contributed to this report.

1st East German auto show ushers in currency switch

By Knut Moberg
STAFF CORRESPONDENT

LEIPZIG, East Germany — More than 500,000 people attended East Germany's first auto show, held here on the eve of currency union between the two Germanys.

Known as Auto-Vision, the show was mainly a presentation by the West European and Japanese auto industries. Only six East German companies had stands, and there were no stands for Wartburg or Trabant. Oddly, in view of the quickening integration between East and West Germany, BMW was the only West German company present.

A spokesman for the organizers, KPS Messe, of Bremen, West Germany, said many automakers were unable to make a decision on whether to exhibit in the time available. Many were handicapped by having already allocated 1990 budgets. The show was organized in only a few months.

Nevertheless, there are plans to have a show here every year. It will be the third major show in Germany after Frankfurt and Berlin.

Nowhere in Europe is there such interest in cars as in East Germany, where until this year people waited 16 years for delivery of an old-fashioned Wartburg or Trabant.

The Leipzig show was, therefore, a big adventure for the East Germans. People traveled from all over the country and from Poland and Hungary.

Parking lots around the exhibition hall were packed with old and dull East European cars. Inside were the world's most modern vehicles.

For a few hours, the visitors could inspect the cars and dream.

One visitor commented, "This is just like making a presentation of the best-known French food in the poorest country in the world."

Japan's automakers made a big splash, with large stands taken by the West German importers of Mazda, Suzuki, Subaru, Nissan, Honda and Toyota. The Japanese do not sell cars in East Germany.

The French industry was strongly represented, with stands displaying Renaults, Peugeots and Citroens. Both Swedish producers, Volvo and Saab, which have sold in East European countries for several years, were well represented in Leipzig.

Fiat and Alfa Romeo were also present.

The U.S. companies and their European subsidiaries skipped the show, but the big surprise for visitors was the paucity of German companies.

But Volkswagen AG, which is building a big dealership between the airport and downtown Leipzig, had a lot of models on display alongside the building materials. It attracted many visitors.

Of the East European cars, only the new Skoda Favorit from Czechoslovakia and Lada from the Soviet Union were in Leipzig.

The Ladas were presented by the West German importer — a major change for East Germany, which had such close ties to the Soviet Union.

Detroit Diesel to produce natural gas, alcohol engines

By Joseph Bohn
AUTOMOTIVE NEWS STAFF REPORTER

Detroit Diesel Corp., a major supplier of transit bus engines, plans to offer a variety of alternative powerplants to that market in 1991.

They include alcohol-fueled and compressed-natural-gas engines as well as diesel engine.

Detroit Diesel's product offerings are predicated on the assumption that the stringent 1991 EPA standards for heavy-duty urban bus engines will remain in effect as they are published today.

According to the EPA standards, heavy-duty urban bus engines produced after Jan. 1, 1991, must meet a nitrous oxides standard of five grams per brake horsepower/hour and a particulate matter standard of 0.1 g/bhp/hr.

Detroit Diesel is also prepared to meet provisions of both the proposed Senate and House Clean Air Act amendments, which are currently before the U.S. congressional conference committee, according to David Merrion, Detroit Diesel senior vice president for engineering.

Detroit Diesel plans to offer five lines of 1991 transit bus engines.

They are diesel-fueled 6-71TA DDEC and 6V-92TA DDEC engines; diesel-fueled 6V-92TA DDEC engines with aftertreatment devices; alcohol-fueled 6V-92TA DDEC engines; alcohol-fueled 6V-92TA DDEC engines with catalytic converters and compressed-natural gas-fueled 6V-92TA DDEC engines with diesel fuel as the ignition source.

Detroit Diesel has a fleet of 54 units with compressed-natural-gas engines in the field and can produce as many as the transit bus industry may require next year, according to a company spokesperson.

It has a signed commitment to supply 400 particulate-trap-equipped buses to the New York Transit Authority as well.

Beginning Jan. 1, 1991, it will offer its 6V-92 turbocharged and aftercooled engine, currently a standard of the transit industry, along with the 6-71TA engine.

Its plan to offer diesel engines in 1991 and 1992 is contingent on the adoption of the proposed EPA rule allowing banking of emissions credits from prior years.

If the rule is passed, Detroit Diesel's diesel engines could be available due to their significant reduction of emissions in 1990.

By meeting a lower emissions level and setting a family emissions limit, Detroit Diesel began banking emissions credits in January 1990.

As a result, it could have enough credits to allow continued sale of diesel-fueled engines well into 1992, Merrion said.

Detroit Diesel will offer the 6V-92TA diesel engine with an aftertreatment device, a particulate trap, that will meet the 0.1 particulate level, beginning in mid-1991.

Next year, it will offer the 6V-92TA engine, capable of operating on alcohol fuels such as methanol and ethanol and compressed natural gas.

The 6V-92TA engine will comply with the 1991 emissions limits and will be available with or without a catalytic converter.

The converter allows the option of having even lower unburned methanol/ethanol emissions and lower aldehyde emissions.

The alcohol-fueled engine without a catalytic converter will be available Jan. 1, 1991. The same engine with a converter will become available in early 1991.

The 6V-92TA capable of operating on natural compressed gas will be a dual-fuel engine, using diesel fuel as the ignition source for the compressed gas. It will become available in June 1991.

The engines all carry a five-year/100,000-mile warranty, whichever comes first.

Each engine will be fully emissions-certified and backed by the company's distributors for parts and service.

TRUCK BRIEFS

Allied restructures

Allied-Signal Automotive has realigned two of its primary business groups which supply the global heavy truck industry.

The Bendix Heavy Vehicle Systems Group and the Garrett Automotive Group, which also supplies the global car industry, remain as separate entities, but some key top management functions will be consolidated.

George A. Jovan, Bendix Heavy Vehicle Systems vice president and group executive, also became group executive of Garrett.

Consolidated within the two operating groups were North American operations and product support, worldwide information systems and services, and finance and employee relations activities.

The research, engineering and marketing activities of both groups will remain separate in order to continue their responsiveness to the needs of their respective customer bases, according to John W. Day, president of Allied-Signal.

Richard M. Bourgerie, former president of Garrett Automotive, resigned to pursue other interests.

Day said the organizational changes will be beneficial to the two business groups since their customer bases, manufacturing operations and product lines are essentially complementary; and they both serve global markets from bases in North America, Europe, Latin America and the Far East.

Bendix supplies air brake system components, anti-lock braking systems, electronics and engine accessories to heavy truck and engine manufacturers.

Garrett Automotive supplies charge air systems (turbochargers and chair air coolers) for commercial diesels and cars.

UPS expands outlets

GREENWICH, Conn. — UPS Truck Leasing has opened a second facility in Jacksonville, Fla., its 11th operating location in the state.

A wholly-owned subsidiary of United Parcel Service, UPS Truck Leasing maintains a fleet of over 3,000 lease and rental vehicles from 28 locations in six states. It plans additional openings in 1990.

MAY TRUCK SALES BY MANUFACTURER AND SEGMENT

		14,000 & LESS GVW CLASS 1-3	14,001-16,000 GVW CLASS 4	16,001-19,500 GVW CLASS 5	19,501-26,000 GVW CLASS 6	26,001-33,000 GVW CLASS 7	33,001 & OVER GVW CLASS 8	TOTAL 1990	TOTAL 1989
CHRYSLER-PLYMOUTH	MO	15,810						15,810	18,379
	YR	80,043						80,043	80,125
DODGE	MO	47,540						47,540	54,750
	YR	221,902						221,902	243,537
JEEP	MO	19,250						19,250	23,629
	YR	85,572						85,572	100,997
TOYOTA	MO	27,004						27,004	22,664
	YR	109,080						109,080	102,649
NISSAN	MO	13,019						13,019	9,765
	YR	73,352						73,352	67,755
MAZDA	MO	14,712						14,712	10,432
	YR	50,840						50,840	58,006
ISUZU	MO	8,004						8,004	8,018
	YR	42,606						42,806	37,647
MITSUBISHI	MO	3,597						3,597	3,819
	YR	17,937						17,937	18,248
SUZUKI	MO	1,423						1,423	2,351
	YR	7,007						7,007	11,519
RANGE ROVER	MO	367						367	391
	YR	1,724						1,724	1,990
FORD	MO	126,127	2,423		512	2,364	1,388	132,814	140,431
	YR	582,819	11,795		2,020	11,361	5,748	613,743	633,165
DAIHATSU	MO	455						455	0
	YR	1,837						1,837	0
FREIGHTLINER	MO						1,916	1,916	2,121
	YR						9,786	9,786	10,238
CHEVROLET	MO	118,303		25	591	556		119,475	124,835
	YR	545,432		137	2,989	2,965		551,523	551,116
GMC	MO	31,634		223	498	1,385		33,740	38,957
	YR	141,182		1,417	1,990	5,712		150,301	160,525
OLDSMOBILE	MO	1,872						1,872	0
	YR	9,069						9,069	0
PONTIAC	MO	3,041						3,041	0
	YR	12,722						12,722	0
KENWORTH	MO					28	1,302	1,330	1,636
	YR					193	6,259	6,452	7,647
MACK	MO				114	152	1,626	1,892	2,193
	YR				575	767	6,407	7,749	10,448
MERCEDES-BENZ	MO				54	107		161	233
	YR				220	449		669	906
NAVISTAR	MO		2	9	1,323	2,053	2,437	5,824	6,650
	YR		14	51	6,260	12,010	11,502	29,837	33,219
PETERBILT	MO					15	1,064	1,079	1,434
	YR					223	5,230	5,453	7,034
VOLVO/GM HEAVY	MO					67	1,417	1,484	1,438
	YR					308	6,103	6,411	7,199
HINO	MO	31		36	37	60		164	234
	YR	145		188	241	441		1,015	945
NISSAN DIESEL	MO	60		71	38	33		202	180
	YR	311		399	194	224		1,128	988
ISUZU TRUCK	MO	651	97	44	102	62		956	908
	YR	2,826	324	171	1,150	272		4,743	3,776
MITSUBISHI FUSO	MO	157		65	20	30		272	310
	YR	766		306	107	254		1433	1441
SCANIA	MO						8	8	14
	YR						49	49	34
IVECO TRUCKS	MO	167	48	26	15			256	200
	YR	585	188	88	59			920	875
WESTERN STAR	MO						88	88	165
	YR						427	427	666
VOLKSWAGEN	MO	811						811	587
	YR	2,929						2,929	2,066
OTHER DOMESTICS	MO						79	79	126
	YR				34	1	331	366	479
GRAND TOTAL, 1990	MO	434,035	2,570	499	3,304	6,912	11,325	458,645	476,850
	YR	1,990,886	12,321	2,757	15,839	35,180	51,842	2,108,825	2,155,240
1989 YR to DATE		2,021,618	12,025	2,764	17,092	39,772	61,969		

NOTE: Class 1-3 reported by individual manufacturers. Class 4-8 reported by Motor Vehicle Manufacturers Association.

SERVICE MANAGEMENT

Air bags pose health hazard for service personnel

By Francis J. Gawronski
AUTOMOTIVE NEWS STAFF REPORTER

While air bags are designed to protect occupants of a vehicle involved in an accident, they could pose health problems if not handled and disposed of properly.

Service employees and owners of repaired cars face dangers from toxic chemicals if a deployed inflator and module are not properly removed and the vehicle is not properly cleaned, according to the Greater Rochester (N.Y.) Auto Craftsman Guild, which includes 110 independent body shop owners.

The inflator is the gas-generating device of the air bag. The module is the component that contains the inflator, cushion and other parts fitting into the steering wheel or instrument panel.

Because of the air bags' potential danger and independent shop owners' lack of free access to auto factory service manuals and bulletins, the guild issued a warning to shops and repairmen about working on vehicles equipped with either deployed or live air bags, said Anthony Sofia, guild president.

The devices are standard on all cars Chrysler Corp. makes in the United States, about half of Ford Motor Co.'s cars and about 15 percent of General Motors' cars.

"Air bags are not just filled with air," Sofia said. "Because of the need to activate instantaneously upon impact, they are triggered by, and contain, toxic chemicals that should be avoided."

The automakers have issued manuals to owners and dealers, describing how air bags work and what precautions to take while working near them. They also point out that failure to follow directions could result in injury.

The public and shop owners can purchase dealer service manuals. They can also obtain the bulletins on a subscription basis.

The factories also publish brochures with procedures that should be followed if air bags are deployed, precautions similar to those issued by the guild's.

Although factory manuals and bulletins are not sent directly to independent shops and regional shop associations, Sofia said the information is "usually made available to officials of national associations" who, in turn, forward it to local groups.

Nevertheless, Sofia criticized automakers for not alerting independent shops to the potential health risks posed by air bags.

The guild's alert is based on guidelines for handling deployed air bags issued by Morton International Inc. of Ogden, Utah, an air-bag manufacturer.

The guild said when a bag is fired, small amounts of sodium sulfide, molybdenum nitride and sodium/sodium hydroxide remain.

"Because of the potency of these chemicals and the hazards commonly associated with fired inflators and modules," Sofia said, "the guild recommends that no heat be applied in removing these units, and that impervious gloves, masks and goggles be used to prevent possible inhalation of noxious materials and eye injuries.

"Fired modules should be stored in proper containers and removed from the premises by a hazardous waste disposal company," Sofia said. Cars contaminated by fired air bags should be vacuum cleaned and all interior surfaces thoroughly wiped down with a water-moistened cloth. This waste should be similarly disposed of," he said.

According to Morton International, if a loaded inflator has been removed from the vehicle, it can be sent to a recycling facility that can fire and recycle the unit, it can be fired remotely or it can be shipped to a permitted hazardous waste disposal facility.

Rescue crew told, 'Disconnect battery'

MILFORD, Mich. — Rescue crews working on a car equipped with air bags should disconnect the vehicle's battery to assure that the safety devices don't deploy accidentally, according to service bulletins issued by automakers.

U.S. and Canadian firefighters and ambulance personnel gathered at the General Motors Proving Ground June 12 to use crash-test cars to practice roadside rescue techniques. They also learned about new technology in cars including air bags.

Some of those attending said they were concerned about armed air bags deploying during rescue operations.

"You don't put yourself between an (undeployed) air bag and the victim," said Ken Jones of Owen Sound, Ontario, who is a member of the Ontario Fire Marshal's Office. "The information about the (new) technology of the cars nasn't been disseminated to us."

The Big 3 have issued dealer service bulletins on air bags and included data in owner's manuals. The material describes how the devices work and what precautions to take while working near them, and it warns that failure to follow directions could result in injury.

"If somebody is there with their nose against the bag and the thing goes off, I guess somebody might get injured," said GM spokesman Don Postma.

The cardinal rule, automakers say, is to disable the car's electrical system, which powers the air bag.

In a garage, operators can disable an electrical system and air bag by unbolting battery cables.

A crash complicates that procedure.

If it is difficult to locate the battery or determine if its cables are intact, automakers recommend going under the steering column to disconnect the air bag.

— The Associated Press

Shop volume tops 1989 in May

By Francis J. Gawronski
AUTOMOTIVE NEWS STAFF REPORTER

Service and parts volume in new-car dealerships dropped slightly in May from the April pace, but still showed a moderate gain over May 1989.

According to the Automotive News Service Index, May service and parts business amounted to 104.2 percent of the business dealers recorded in May 1989. In April, the volume was up 10.1 percent over that for April 1989.

May was the fifth consecutive month to show an increase over the year-earlier service and parts volume. It also marked the first time in four months that all five indicators in the Service Index failed to show increases.

The only indicator that did not register an increase for the month was repair orders written. The average number of orders written in new-car dealerships was off 2.2 percent from the year-ago total, the survey found.

SERVICE INDEX
104.2★

	May '90 vs. May '89	Jan.-May '90 vs. Jan.-May '89
Gross Profit on All Labor and P&A Sales	+ 4.5%	+ 7.0%
Repair Orders Written	– 2.2%	+ 0.5%
Total Labor Sales (Customer & Warranty)	+ 4.7%	+ 8.1%
Shop Parts Sales (Customer & Warranty)	+ 8.7%	+ 8.4%
Sales of All P&A	+ 3.4%	+ 8.9%

★ Survey by Automotive News shows that dealers' service and parts business in May 1990 was 104.2 percent of business in May 1989. Service business in the first 5 months of 1990 was 108.7 percent of business in the corresponding period in 1989.

Shop parts sales for customer-paid and warranty repairs scored the biggest gain in May with an increase of 8.7 percent over the year-ago figure, followed by total labor sales (customer paid and warranty), which were up 4.7 percent.

Gross profit on all labor, parts and accessory sales — the most important indicator from the dealers' viewpoint — was 4.5 percent above last year's profit; while sales of all parts and accessories topped the year-earlier figure by 3.4 percent.

Some dealers attributed the increase to owners having their vehicles repaired rather than buying new ones. Others cited increases in body shop and warranty work.

Figures used in the Service Index are averages compiled from reports on shop operations from a cross-section of the nation's new-car dealerships.

Dealer service and parts business for the first five months of 1990 was up 8.7 percent over the same 1989 period.

The year-to-date indicators lined up this way: Sales of all parts and accessories, up 8.9 percent; shop parts sales, up 8.4 percent; total labor sales, up 8.1 percent; gross profit, up 7.0 percent; and repair orders written, up 0.5 percent.

Mercedes eliminates emergency-help fee

MONTVALE, N.J. — Mercedes-Benz of North America Inc. has sweetened its 24-hour Roadside Assistance Program coverage by eliminating the service charge for on-site aid.

Additionally, owners with cars still covered by the company's standard 48-month/50,000-mile new-car warranty can receive reimbursement for travel, meals and lodging if a mechanical problem covered by the warranty requires overnight service. Also, free trip routing will be available for the first time under the program.

"We have been pleased by the success of our program in the past, and these enhancements will make it even stronger," said Karl-Heinz-Faber, senior vice president for product compliance, service and parts for Mercedes-Benz of North America.

"Roadside Assistance is one example of how we, as manufacturers, work together with our dealers to provide the service our customers deserve," Faber said.

More than 400 of the company's 422 dealers participate in the program, he said.

Under the revised program, Mercedes-Benz and its dealers will provide a free tire change in case of a flat, a jump-start for batteries and delivery of two to three gallons of fuel to any owner/driver of a Mercedes-Benz car, regardless of the vehicle's model year or mileage, or whether it was purchased new or used.

Trip routing, available to owners whether or not their cars are under warranty, offers computerized routing, road maps, a listing of authorized Mercedes-Benz dealers along the travel route and phone numbers of hotels, airlines and rental agencies.

Reimbursement for travel interruption for vehicles under warranty is limited to $300 per night for a maximum of three nights, if the mechanical failure occurs more than 100 miles from the driver's residence.

Mercedes-Benz of North America started the Roadside Assistance Program in 1984, after three years of testing. It covers all Mercedes-Benz cars in the United States, currently more than 1.2 million.

SERVICE BRIEFS

Battery recycling pushed

TROY, Mich. — K mart Corp. and Exide Corp. are trying to make auto owners more environmentally conscious.

They are co-sponsoring a nationwide recycling program to reduce the potential environmental safety problems of batteries that are disposed of improperly.

Consumers are being offered $2 for any junk automotive or marine battery returned to any of K mart's 2,200 stores nationwide.

Exide will recycle the lead and plastic from discarded batteries to manufacture new battery products. There are an estimated 40 million junk batteries in the United States.

Glass repair urged

CHICAGO — Insurance companies could save over $144 million annually in claims if windshields were repaired instead of replaced.

More than eight million windshields will require repair or replacement in 1990, according to Vincent J. Romans, vice president of marketing and planning for Globe/U.S. Auto Glass Centers and USA-GLAS Network. The company markets Clear Fix, a process for repairing small breaks outside drivers' critical view area.

According to Romans, the average cost of replacement is $205, compared with $40 for repairing a windshield with the process.

Mazda realigns divisions

IRVINE, Calif. — Mazda Motor of America Inc. has reorganized its service and parts functions along operations and support lines.

The realignment consolidates all service and parts support activities, such as administration, planning, parts supply and distribution, technical service and customer relations, within a single, new Service and Parts Division.

It will be headed by a vice president who will report to Clark Vitulli, chief operating officer.

Operations functions such as service and parts marketing, parts and accessories development and service and parts field activities, will be handled by a new service and parts marketing department that reports to George McCabe, group vice president for operations. He also reports to Vitulli.

"The changes will enable us to address increased customer demand for more convenient and responsive service," Vitulli said.

Porsche's top technician

RENO, Nev. — Matthew Hartsfeld of Lynch Imports Ltd. in Chicago won top honors in the Porsche Premier Technicians Competition sponsored by Porsche Cars North America Inc.

Hartsfeld, who achieved the highest score among 21 U.S. finalists in written and hands-on tests, will represent Porsche Cars North America in the finals in West Germany. There, technicians from 20 markets around the world will compete for top honors.

Brian acquires Comspec

DETROIT — Comspec has been acquired by William Brian, president of Budco, which provides marketing and distribution services to clients in the automotive, retailing and advertising industries.

Comspec writes and provides training programs for dealership technicians and testing and motivation programs for dealership sales personnel. Comspec's engineers and technicians also write service manuals for automakers.

Comspec International, a computer services subsidiary, offers consulting, systems analysis and design and programming services to automotive and non-automotive clients.

KOREA

FROM PAGE 3

pressive achievement of building an automotive industry almost overnight.

In many minds, it is really a question of when rather than if the industry will rebound to its previous heights.

Recover it must in the eyes of Korea's economic planners, who have put total faith in an export-led economic growth policy.

In this natural-resource-poor country, where long working hours and a willingness to sacrifice have made all the difference, a continued expansion of exports is held out as the only assurance of creating more jobs and continuing economic development.

With their high value-added content, cars are at the top of the government's list of export industries. Although auto exports have faltered, South Korea's Ministry of Trade and Industry is mapping new strategies to ensure the continued competitiveness of Korean auto exports in the 1990s and beyond.

"This industry has deep-rooted structural problems," says Chung Soon-Young, an economic specialist and transportation industry analyst with the U.S. Embassy in Seoul. Many would agree with Chung, who does not see chances for a major export recovery in the short term.

The blame is placed on labor problems, exchange rates, the soft U.S. auto market, Japan's U.S. transplants and Korea's lack of design and engineering prowess.

Start with Korea's autoworkers and their annual spring strikes, which have grabbed world headlines.

Backed by democratic reforms instituted in 1987 and expanded power for unions, workers have succeeded in winning nearly 75 percent in accumulated wage increases during the past three years — at the expense of declining productivity, some would add.

But there are signs that industrial unrest is stabilizing. While the U.S. media hasten to point their cameras at student-police clashes and striking workers, they have ignored the sizable decline in labor disputes this year.

Only 28 industry-related strikes were reported to the Ministry of Labor in May. That was down sharply from more than 100 strikes during the same period last year.

The rise in output at Japanese transplants in the United States during the late 1980s has added to the Korean industry's woes. Voluntary restraint measures speeded Japan's move upmarket and created an opening — albeit a temporary one — for Korean-made subcompacts.

About 15,000 Hyundai Motors workers in Ulsan, South Korea, protested the storming of the Hyundai Heavy Industries shipyard by police April 28. Labor problems are but one of the causes of the country's export problems.

But today, the Japanese are back and fighting in the U.S. subcompact market, aided by the production of their U.S. transplants. By contrast, Hyundai Motor has a single transplant, at Bromont, Canada, which recently began exporting Sonatas to the United States.

The won-yen-dollar exchange rate also has played havoc with Korean car exports.

"Part of the problem is that the yen's depreciation has outpaced that of the (Korean) won, and that is bad news for Korean automobile makers," said Prudential-Bache Securities in an April report on the Korean economy.

The won has gained against the dollar, moving from 890 won per dollar in 1985 to 680 won in 1989. For Korean automakers, a stronger won translates into reduced export earnings. To compensate, they have been forced to raise export prices.

There are doubts whether higher prices have translated into higher-quality cars. "Compared with Japanese cars, the (Korean) quality is just not there," says Todd Kilborn, an industry analyst with James Capel's Seoul office.

"The impression of U.S. car buyers is that a Korean car is cheap," he observes. "The Japanese have a reputation for building a quality machine."

Says a Big 3 auto executive stationed in Seoul, "Given the price parity that currently exists between Japanese and Korean cars, consumers automatically choose the Japanese model."

While the past price advantage appears to have all but slipped away, the pursuit of higher quality is being held back by the lack of independent engineering capability. Engine and drivetrain components, for example, are produced under foreign license, entailing royalty fees that erode profits.

"They are fettered by technology licenses," says the Big 3 executive.

Korean automakers always seek the latest technology from Japan, Europe and the United States. But that technology is not always available on attractive terms.

see KOREA, page 30

Exports climb for Kia; Hyundai, Daewoo dive

By Oles Gadacz
STAFF CORRESPONDENT

SEOUL, South Korea — The export slump has affected the Korean Big 3 in varying degrees.

● **Kia Motors** has best adapted to the changing climate. It was the only member of the Big 3 to increase auto exports in 1989, climbing from 78,340 units in 1988 to 95,018 in 1989.

Last year, it started making up for slipping sales in the United States by starting a complete-knockdown export program to Taiwan's Ford Lio Ho. It shipped 13,110 Festivas and 1,032 Concords (Mazda 626s) to Ford Lio Ho last year and hopes to raise Taiwan exports to 30,000 units this year.

Ford Motor Co. owns 10 percent of Kia, and Mazda Motor Corp. owns 8 percent.

Kia also has a truck program in the Philippines with Colombian Motor Corp., which this year will build 5,000 Ceres trucks from knockdown kits.

Kia still hopes to be selected for the Philippine government's people's car project. If successful, it would mean expanded exports of Festiva.

For 1990, Kia's export shipments are running at half last year's pace, mainly because of slipping sales of Festiva in the United States. Kia sent 10,223 Festivas to the United States in the first four months of this year compared to 22,751 in the same period last year.

Anticipating the need to diversify its markets, Kia started selling in Japan this year through Autorama outlets, a sales network jointly owned by Mazda and Ford. Kia shipped 1,462 units to Japan through April — a modest number but significant in that Kia beat Hyundai and Daewoo in exporting to Japan.

● **Daewoo Motor**, 50 percent owned by General Motors, has been hit hardest by the export slump. While chronic quality problems in the LeMans were being ironed out last year, GM suspended exports to the United States for several weeks.

Daewoo's exports dropped from 86,438 units in 1988 to 43,497 in 1989. As of the end of April this year, only 3,718 units had been shipped. Daewoo has tried to find new markets for its products, but because its products are made under GM license, it is restricted to markets GM approves.

Daewoo last year landed an order for 3,000 LeMans from a Czechoslovakian buyer in a cars-for-oil barter deal. It is finding new markets in New Zealand, Saudi Arabia and the Middle East, but volume so far is too low to be of any comfort or significance.

● **Hyundai Motor's** internal debate over whether to invest in a European plant has been drawn out by the export slump.

With 1992 and the integration of the European Community around the corner, Hyundai finds itself without a European manufacturing base — a distinct disadvantage in doing business in Europe.

In addition to falling U.S. sales, down 29.74 percent through May this year, Hyundai is grappling with declining European sales.

Europe held much promise for Hyundai, but its hopes were frustrated by a sizable sales drop this year in Britain: a mere 43 units in the first four months compared with 8,226 in the same period last year. Minor improvements were made in other markets, such as the Netherlands, where Hyundai shipped 1,356 units in January-February this year, nearly 50 percent more than last year. Hyundai also started selling in Switzerland for the first time, exporting 1,205 units during the two-month period.

Hyundai's sales in the United States are expected to perk up at midyear with the launch of the Scoupe, which will expand the company's product lineup to three series. Help also is expected from Hyundai's new captive finance firm.

Korean auto exports

By value . . .

Year	Value ($ millions)	Units
1984	$ 315.38	52,350
1985	741.92	123,110
1986	1,591.56	306,369
1987	3,135.18	546,310
1988	3,707.96	576,134
1989	2,717.08	356,040

. . . by Korean Big 3

Year	Hyundai	Kia	Daewoo
1984	50,376	1,072	650
1985	120,041	1,322	879
1986	302,134	1,476	859
1987	407,924	63,410	71,533
1988	407,719	78,340	86,438
1989	215,101	95,018	43,497

SOURCE: Korean Automobile Manufacturers Assn.

The good-luck models

Three models were the basis of the record-setting, but short-lived, rosy export streak: the Hyundai Excel (left), the Kia/Ford Festiva and the Daewoo/Pontiac LeMans.

WORLD BRIEFS

Taiwan firm to sell Nissan transplants

HONG KONG — Taiwan's Yue Loong Motor Co. and Nissan Trading Co. are establishing a company to sell vehicles in Taiwan made by Nissan plants outside Japan. First shipments will come from Nissan's Smyrna, Tenn., plant.

Capitalized at $1.8 million, the new company is called Capital Way Enterprise Ltd. Yue Loong owns 66.5 percent. Nissan Trading, a subsidiary of Nissan Motor Co. Ltd., owns 33.5 percent. Nissan Motor owns 25 percent of Yue Loong, and the two have a long-standing relationship. The Taiwanese company assembles Nissan vehicles for the local market.

With imports of vehicles from Japan banned in Taiwan, Yue Loong is following the example of other Japanese assemblers, who circumvent the ban by importing vehicles from Japanese-owned plants in third countries. The most successful example to date has been Honda's U.S. imports.

Capital Way has already taken delivery of four-door Sentras and pickup trucks from the United States. It intends to import vehicles from Nissan companies in Spain, Portugal and Britain. The first-year sales target is 700 vehicles.

Once the market leader in Taiwan, Yue Loong has slipped into second place behind Ford Lio Ho. It has suffered a setback with the launch of its Feeling range of cars, and it lacks the latest Nissan models to reinforce its lineup.

— Stephen Vines

Samsung, Nissan pair for special vehicles

SEOUL, South Korea — Samsung Heavy Industries will produce large trucks and special vehicles in a technical tie-up with Japan's Nissan Diesel starting next March.

Samsung plans to build an assembly plant with an annual capacity of 5,000 units at the Changwon industrial estate, South Kyongsang Province, at a cost of 72 billion won ($100 million). It will probably be adjacent to the Samsung facility at Changwon that makes fork lifts, cranes, excavators, bulldozers and other heavy construction equipment.

Korea's backlog for heavy duty commercial vehicles extends up to one year.

— Oles Gadacz

Alfa Romeo models delayed until 1994

TURIN, Italy — The new front-wheel-drive Alfa Romeo spider and coupe has been delayed until 1994. The delay means that the current spider, which is being exported to the United States, will have to be fitted with passenger-side air bags beginning in 1993.

The new spider and coupe are based on the 1992 successor to the Alfa Romeo 75 (Milano).

The cars — known as the 179 — are being designed and engineered by Pininfarina S.p.A.

Bodies probably will be built at Lancia's Chivasso plant and assembly will be carried out by Pininfarina

— Luca Ciferri

Honda's image ranks No. 1 in Japan in poll

TOKYO — Honda Motor Co. topped a list of 50 companies with the best corporate image in Japan.

The survey, conducted by *Nihon Keizai Shimbun*, included only three automakers in the top 50. Nissan Motor Co. placed sixth and Toyota Motor Corp. 19th.

The survey included not only the financial picture of the companies, but the "perception of goodness" among the public. Respondents were asked whether they would recommend the company to their sons or daughters. Companies were also rated on their originality, how they treated their employees, and how they met the needs of society.

Honda rated high in originality, "goodness" in dealing with employees, and the ability to project a clear corporate philosophy.

Nissan scored well in those areas, but rated slightly above Honda on originality — reflecting a recent upswing.

Toyota scored well on size and profitability, but less well on originality and adaptability. It was rated relatively weak on projecting a clear corporate philosophy.

The standings of the three tend to correspond with their ability to attract new applicants during the labor shortage of the past year.

Honda said it is not suffering from any shortage of applicants, and it is not taking any action to appeal to young applicants, other than a recent switch to a flexible time schedule.

Nissan noted that the move to make a new employee dormitory coed was one factor appealing to young workers.

Toyota suffers from a conservative image, plus the limitations of its primary location in central Japan.

Toyota plans to spend 100 billion yen ($666 million) over a four-year period to upgrade employee housing, recreation and restaurant service. It is planning an apartment complex in Tokyo where single workers can have private rooms for 12,000 yen ($80) a month.

— Mary Ann Maskery

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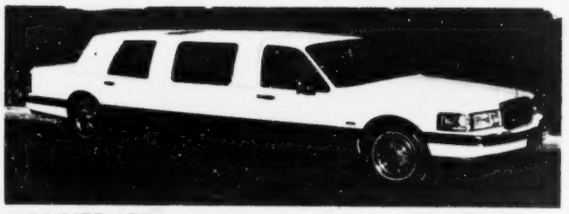

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KOREA'S EXPORT SLUMP

KOREA

FROM PAGE 26

For Daewoo Motor and Kia Motors, which build products under license from General Motors and Mazda Motor Corp., licenses dictate where their products may be exported.

This is less true in Hyundai's case. It has a more-advanced engineering capability than Kia and Daewoo and is able to re-engineer a significant percentage of its Mitsubishi Motors Corp.-based products. It has reduced its reliance on Mitsubishi to licensing of engine and drivetrain components.

While Hyundai and Kia have made modest starts in developing such exotic technologies as electronically adjustable suspension, anti-lock braking, traction control and variable valve timing, they are still many years and millions of dollars from applying the results to their production cars.

Korea's road to recovery will require a greater variety of car models and better quality and performance. Korea's streak of good luck with exports was built around three models: Hyundai Excel, Kia/Ford Festiva and Daewoo/Pontiac LeMans. "This industry has reached the limits of straight commodity-led export growth," says Sean Goldrick, representative director with Hoare Govett's Seoul office. "It needs technology."

R&d investment lags

Korea wants makers to boost spending

By Oles Gadacz
STAFF CORRESPONDENT

SEOUL, South Korea — One aspect of South Korea's engineering problem is reflected in the low rate of expenditure for research and development.

Korean automakers put an average of 3.5 percent of sales into r&d last year. The Ministry of Trade and Industry wants to see that raised to over 5 percent by the mid-1990s.

But r&d expenditures are significantly lower among Korea's parts and components makers. They averaged about 1.7 percent of sales last year, and that is keeping the brakes on the industry's development. "They're mostly mom-and-pop shops," comments a U.S. engineer who has been involved in engine programs in Korea for years.

In most cases, parts and components makers rely on the auto assembler for assistance with engineering, statistical quality control and product design and manufacturing process improvements.

Auto assemblers assign some of their own staff to the production, engineering and quality control departments at the parts and components makers. That system of cooperation breeds dependence and demands exclusivity. A parts maker that has been nursed along by one assembler is expected to remain loyal and to not do business with competitors.

Recognizing that problem, the Korean Automobile Manufacturers Association has taken up, as one of its first causes, a campaign to establish a national automotive parts research institute. Funding would be shared by government, automakers and the parts industry.

The institute would tackle parts and components research as well as basic research projects — an undertaking that automakers have shied away from because of the heavy risks and the long development time. It could also reduce wasteful duplicate research efforts.

Growing Korean market home to mega traffic jam

By Oles Gadacz
STAFF CORRESPONDENT

SEOUL, South Korea — While auto exports slid the slippery slope, the Korean market showed surprising growth.

Sales rose from 523,476 units in 1988 to 762,959 in 1989 and reached 301,962 in the first four months of this year.

But how long can the domestic market continue to carry the auto industry? At one car per 15 people, Korea's per-capita car ownership is still quite low. It is the statistic that Korean auto executives repeat to buttress their belief in a bright future for the industry.

But sitting in a Seoul traffic jam and choking on the exhaust fumes of one of the world's most densely populated cities, the idea of cramming more cars onto the already packed roads defies all logic.

"The lack of infrastructure is a bottleneck for domestic (car) sales growth," says Lee Dong-Wha of the Korean Automobile Manufacturers Association.

Lack of space is a big factor: Forty-three million people are crammed onto this peninsula about the size of Kentucky. Despite all government efforts to spread out the population, Seoul, with its better schools and jobs, is a magnet that continues to draw people from the outlying provinces. Seoul and the surrounding Kyonggi province are now home to nearly one-fourth the total population and half of the 2.8 million registered vehicles.

The government promises to alleviate traffic problems by improving public transportation. It has committed about $4.5 billion during the next 10 years to expanding subway service and building new city and intercity roads.

DITLOW

FROM PAGE 42

Contends William Noack, head of GM's Washington public affairs office: "The general public should understand this group for what it is: an activist organization with virtually no technical resources or automotive engineering expertise. We often wonder who they're really trying to serve, true safety interest or the interest of trial lawyers."

The charge is frequently leveled at the center. Ditlow claims the center gets only 8 percent of its income by selling information to attorneys. He regards the attorneys as necessary because they have subpoena power for records when they sue on behalf of victims.

As for criticism of the lack of engineers on the staff, Ditlow says he doesn't need technical help to spot a defect trend. By ferreting through complaints and files at the Department of Transportation, where a center staffer searches almost daily, Ditlow's troopers claim they can spot a problem.

Ditlow further argues that safety laws do not require the center, or any outside party, to tell the government why it suspects a part is defective or what is causing an automotive problem.

The center isn't always right, some NHTSA staffers point out. They accuse the center of overloading agency resources. According to NHTSA, of the 61 petitions for investigations the center has filed since 1975, only 16 uncovered new problems the agency had not already been probing. And only three of those led to recalls. During that same 15-year period, NHTSA opened 2,157 investigations.

But Ditlow says there's no shame in erring on the side of safety. "The agency is the ultimate decider. That's their job and we will keep sending those complaints," he says.

Nader dismisses recalls as a barometer of an advocacy group's clout. "I believe that every time a safety agency is established, there has to be a watchdog," he says.

GM's Noack isn't convinced. "If the center was truly pro-consumer, they would urge consumers to drive the safest cars, to use all the available safety equipment," he says. "I didn't see the center actively support the passage of seatbelt laws. They tend to stray far afield from safety issues."

But consumers look to the center for results, big or small. Charles J. Gorski, a retired chemical engineer in Cincinnati, says the center saved him from having to pay $400 to repair the transmission on his 1984 Chevrolet Citation because the 12-month warranty had just expired.

When the dealership insisted the problem wasn't theirs, Gorski called the center and followed its advice to contact a zone manager. GM ended up agreeing the transmission went bad prematurely and picked up $300 of the service tab.

"I thought that was a pretty good compromise," Gorski says.

INCENTIVE WATCH

CUSTOMER INCENTIVES

See incentive story on Page 62

	Rebates	Finance Rates (Pct.) — Months — 24	36	48	60	Expiration Date
Chrysler Corp. (1990 models)						
Chrysler	$750-$2,000	2.9	7.9	7.9	10.9	July 31*
Dodge cars	$750-$1,500	2.9	7.9	7.9	10.9	July 31*
Dodge trucks	$500-$2,500	2.9	7.9	7.9	10.9	July 31
Eagle	$750-$2,000	2.9	7.9	7.9	10.9	July 31
Jeep	$500-$1,000	2.9	7.9	7.9	10.9	July 31*
Plymouth	$750-$1,500	2.9	7.9	7.9	10.9	July 31*

*Expiration date is Aug. 31 on Chrysler LeBaron, Dodge Shadow and Spirit and Plymouth Sundance and Acclaim. Expiration date is Sept. 30 on Jeep Cherokee Limited and Wagoneer Limited.

Ford Motor Co. (1988-89 models)						
Merkur	$3,000-$4,000					July 9
Ford Motor Co. (1989-90 models)						
Ford cars*	$700-$1,500	7.9	7.9	7.9	10.9	July 9
Ford trucks	$500-$1,500	7.9	7.9	7.9	10.9	July 9
Mercury*	$700-$1,500	7.9	7.9	7.9	10.9	July 9
Continental, Mark VII	$1,500-$2,000					July 9

*Escort, Probe and Mustang, buyers can choose $1,000 rebate with no finance incentive; $700-$750 rebate with cut-rate financing; or no rebate and 2.9/2.9/2.9/8.9 financing. On Tracer, buyer can choose $1,500 rebate with no finance incentive; or $1,000 rebate with cut-rate financing.

General Motors (1990 models)						
Buick	$500-$1,250*	7.9	7.9	7.9	10.9	Aug. 2
Riviera	$2,000	7.9	7.9	7.9	10.9	Aug. 2
Chevrolet cars	$700-$1,400	7.9	7.9	7.9	10.9	July 9
Chevrolet trucks	$500-$1,500	7.9	7.9	7.9	10.9	July 9
Olds Silhouette	$1,000	7.9	7.9	7.9	10.5	Aug. 2
Olds Toronado	$2,500	7.9	7.9	7.9	10.9	Aug. 2
Cutlass Ciera	$1,000	7.9	7.9	7.9	10.9	Aug. 2
Pontiac	$750-$2,000**	6.9	6.9	6.9	10.9	Aug. 2

*Based on option package selected.
**Dealers contribute $1,000 on Grand Prix in some areas.

General Motors (1991 models)						
Buick	$500-$1,250*		7.9	7.9	7.9	Aug. 2
Chevy Caprice	$750	7.9	7.9	7.9	10.9	July 9
Chevrolet trucks	$750-$1,000	7.9	7.9	7.9	10.9	July 9

*Based on option package selected.

Hyundai (1989-90)	$500-$1,700, based on sticker					July 10
Mazda (1990 models)						
Cars	$500-$1,000					Aug. 2
Trucks	$800-$1,000					July 3
Nissan (1990 models)						
Sentra, base pickup	$500-$1,000					Aug. 2
Peugeot (1989-90)	$1,000-$3,000					None
Sterling						
1989 models	$5,000					Sept. 30
1990 models		0.0	0.0			Sept. 15
Suzuki (1989-90 models)*						
Swift	$400-$2,000					Aug. 2
Samurai	$1,000					Aug. 2
Sidekick	$1,000-$2,500**					Aug. 2

*Customer rebate or dealer rebate; dealer's choice.
**$3,000 in California.

Note: Some makers offer rebates to buyers of 1988 and 1989 models. Most of those programs are omitted from this table because of the limited number of those vehicles still in dealers' hands.

Camry, Corsica, Mustang face analysis by NHTSA

By Diana T. Kuryiko
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — The federal government has upgraded its investigation into whether the motorized safety belts on 1987-90 Toyota Camrys are defective. The investigation is now an engineering analysis.

The National Highway Traffic Safety Administration said it has 121 complaints that allege the belts do not hold properly and would not provide proper restraint in an accident.

NHTSA said 778,118 cars could be affected.

The agency also upgraded to engineering analysis its investigation into hoods that fly open on 1987-88 Chevrolet Corsicas and Berettas. NHTSA suspects both hood latches malfunction.

The agency said it has received 62 owner complaints, alleging 35 accidents, one injury and one fatality. A total of 289,000 cars could be affected.

In addition, NHTSA reopened its investigation into fractured floor pans on 1979-84 Ford Mustangs. It is in the engineering analysis stage.

An earlier two-year probe was closed in April 1987 when NHTSA could not find a defect. Since then, the agency has received 170 new complaints; three allege accidents in which seven people were injured.

About 1.23 million cars could be affected.

NHTSA has also opened three preliminary investigations to determine whether to pursue a formal defect probe that could lead to a recall:

- Renault/Eagle Medallions, 1988-89, for throttle linkage failures ranging from sticking cables and broken cables to broken mounting brackets. NHTSA has received 12 complaints alleging three accidents; 30,700 cars could be affected.
- Ford Festiva, 1988-89, for seats that come loose and break away from the floor; three complaints and three reports of injuries; 130,000 cars.
- Geo Metro, 1989-90, for a rear suspension failure that causes a temporary loss of control; one complaint; 142,000 cars.

INCENTIVE WATCH

DEALER INCENTIVES

	Rebate	Expiration Date
Chrysler Corp. (1990 models)		
Grand Caravan, Grand Voyager, Town & Country	$500	July 17
Dodge Shadow, Plymouth Sundance	$750	Aug. 31
Ford Motor Co. (1990 models)		
Taurus SHO	$1,000	July 9
Tempo	$250	July 9
Grand Marquis	$1,000	July 9
Continental, Mark VII	$600-$1,000	July 9
Ford Motor Co. (1989-1991 models)		
Crown Victoria, Grand Marquis	$100-$500 based on number sold*	July 9

*$200 extra on each sale if dealer meets Escort/Tracer sales quota.

General Motors (1990 models)		
Buick Estate Wagon	$1,000	Aug. 2
Corvette	$2,000-$4,000 based on sales	July 9
Chevrolet Geo, Celebrity	$500-$1,000	July 9
Geo Tracker	$1,000	July 9
Oldsmobile Cutlass Supreme, 88, Custom Cruiser, 98, Silhouette	$750-$1,250, based on sales	Aug. 2
Pontiac Firebird	$500	Aug. 2
Hyundai Excel (1989-90)	$200, quota	July 10
Nissan (1990 models)		
Sentra, Stanza	$300-$1,500	Aug. 2
Trucks	$1,000	Aug. 2
Axxess	$1,000-$1,500	Aug. 2
Saab (1990 models)		
9000 Series	$1,500-$4,000, quota	July 31
Subaru (1990 models)		
Justy ECVT	$500	July 3
Loyale	$400	July 3
Legacy	$400-$1,200, based on sales	July 3
Suzuki (1989-90 models)*		
Swift	$400-$2,000	Aug. 2
Samurai	$1,000	Aug. 2
Sidekick	$1,000-$2,500**	Aug. 2

*Customer rebate or dealer rebate; dealer's choice.
**$3,000 in California

Toyota (1989-1990 models)		
Tercel, Corolla, Camry	$300-$700, quota	July 3
Trucks	$500-$900, quota	July 3

Note: Some makers offer rebates to dealers on sales of 1988 and 1989 models. Those programs are omitted from this table because of the limited number of those vehicles still in dealers' hands.

GM to build trucks that run on natural gas

HOUSTON — General Motors will build 1,000 light trucks powered by natural gas in an agreement with a consortium of energy companies that will buy and help pay for the vehicles, the *Houston Chronicle* reported.

The newspaper said GM will announce the plan at this month's Economic Summit here, becoming the first of the Big 3 to mass-produce vehicles powered by natural gas.

GM spokeswoman Sharon Hines declined to confirm the plan. "The Truck and Bus Group is looking at compressed natural gas as an alternative, but it's really too early for us to comment," she said.

The half-ton trucks will be built in 1991 at a GM plant and converted to natural gas by PAS Inc., a Detroit-area supplier, the newspaper said.

David Polletta, general manager of PAS Inc., said the vehicles will be sold under the GM name and guaranteed by a GM warranty.

"This is a way to speed up GM's research," said Vicki Cho, a spokeswoman for Southern California Gas Co. of Los Angeles, the nation's largest gas distribution company and a member of the consortium.

The *Chronicle* said the consortium has agreed to provide as much as $1 million in funding for the final research and testing of the vehicles.

The consortium — also expected to purchase many of the GM trucks — is composed of companies in Texas, California and Colorado.

Besides Southern California Gas, it includes Entex and Enron Corp. of Houston, Southern Union Gas Co. and Lone Star Gas Co. of Dallas, Pacific Gas and Electric of San Francisco and San Diego Gas and Electric.

Officials said an announcement of the project has been delayed because GM is considering expanding the venture beyond light trucks.

— The Associated Press

WAGES

FROM PAGE 2

For example, Honda pays the sixth highest hourly wage rate to its production workers. But workers could have earned $33,685 without overtime, the fifth best annual straight-time pay among the 10 companies surveyed.

Nissan pays only the sixth best hourly rate to its skilled trades (maintenance) workers, but those workers could have earned $37,797 straight-time, the fifth best annual total.

All three unionized transplants are affiliated with the Big 3 automakers: NUMMI; Diamond-Star Motors Corp. (Chrysler and Mitsubishi); and Mazda Motor Manufacturing (USA) Corp., which makes Probes for Ford, its part-owner.

The transplants produced 16.6 percent of all domestically produced vehicles last year and are growing. Big 3 automakers say that to compete with them, they must reduce overhead labor costs — a signal that they will not offer appreciable wage and benefit increases when contracts expire Sept. 14.

"I don't see how the UAW can get back to the annual 3 percent wage increases," said Harry Katz, a labor economist at Cornell University. He said massive layoffs and plants closings in the 1980s "remind the auto workers that they don't have much muscle."

Still, when bargaining begins July 18, the union will seek improved earnings for its members.

estoration of the 3 percent annual wage increase "is a top priority in this round of bargaining," according to a primary resolution included in a book that was distributed to 350 union leaders representing GM hourly workers at a meeting in Detroit last week.

In the current three-year pact, GM and Ford workers got a 3 percent wage increase the first year and 3 percent bonuses in years two and three, plus COLA.

Chrysler's two-year pact paid its workers 3 percent bonuses each year.

Workers prefer wage increases because bonuses are not folded into the base pay for subsequent years.

Explaining his company's plea to hold the line on wage or benefit increases, Chrysler spokesman Lee Sechler said: "The things the transplants don't have to worry about is a big group of retirees right now."

Chrysler's pension plan paid $573 million to retirees last year; GM's paid out $1.6 billion; and Ford's paid out $975 million.

Both transplants and the Big 3 have to set aside money for future retirees.

The transplants inherently raise other issues besides just pay.

The UAW booklet proclaimed the union's desire to gain Japanese-style perks:

"There is no good reason why some workers punch time clocks and others don't; why some management have separate and better eating facilities; why some managers have reserved and/or better parking spaces while our people have to fend for themselves; why managers get huge bonuses while we don't."

At the transplants, all workers eat in the same dining area. (Some Big 3 plants have single dining areas, too.)

And full-time transplant workers enjoy company pledges of no layoffs, meaning they will not lose their jobs unless the financial health of the company is jeopardized.

"Our contract is certainly comparable to the Big 3," says NUMMI spokesman Michael Damer. "We may be the highest paid." He said that NUMMI has laid off no workers since the clause was enacted in 1985.

Transplants offer other perks.

Nissan offers its workers a free, on-site recreation facility that includes lighted tennis courts, a golf driving range and two swimming pools.

Honda has a similar on-site athletic facility, which costs workers $12 a year.

All transplants but Mazda have voluntary employee savings plans in which the companies will match up to half an employees' savings, up to a certain percentage of earnings.

The Big 3 have no such programs.

Nissan, Subaru-Isuzu Automotive Inc. and Diamond-Star are the only three manufacturers without an attendance award.

"We do not pay our people to come to work," said Nissan spokesman Bucky Kahl. "We think that's the obligation of the employee."

He said Nissan more than makes up for no attendance bonus with a $1.55 guaranteed hourly bonus plus the success sharing program, based on quality of the vehicles and the company's overall financial performance.

Toyota Motor Manufacturing USA Inc. in Georgetown, Ky., believes it must pay comparable wages and benefits if it is to keep the UAW at bay.

Sam Heltman, vice president of human relations for Toyota, says his company paid wage rates about 15 percent below the industry average in 1986 but is now within 3 percent of the industry average.

"And we have a commitment to close that gap by October of this year," he says.

Nissan considers Spain for new assembly plant

By Richard Johnson
AUTOMOTIVE NEWS STAFF REPORTER

FRANKFURT, West Germany — Nissan Motor Co., the only Japanese maker currently building cars in Europe, is considering adding a car plant in Spain.

Nissan Motor Iberica SA, the Spanish commercial vehicle maker controlled by the Japanese company, is conducting a feasibility study on a new facility that would supplement Nissan's four-year-old assembly plant in Britain.

Motor Iberica's corporate planning manager, I. Wakatsuki, said the study was launched at the invitation of Spanish Industry Minister Claudio Aranzadi.

Wakatsuki said the company is reviewing various sites in Spain. But he added that "nothing has been decided" and that no timetable is set for completing the study. A new plant south of Barcelona is one possibility.

Nissan would produce 1.6- and 2.0-liter cars in Spain. Total investment is pegged at about 250 billion pesetas ($2.4 billion), though the potential annual production rate was not spelled out.

Motor Iberica currently produces the 4wd Patrol, Vanette light van, Trade vans, and Ebro trucks and buses at its Zona Franca plant in Barcelona. Production last year totalled 90,602 vehicles.

Nissan acquired an equity stake in the Spanish company Motor Iberica in 1980 and has held majority control since 1982.

The Japanese company already has plans to produce a new 4wd sport-utility in Spain with Ford Motor Co. An agreement signed last year anticipates production of 50,000 units beginning in 1993.

Nissan, the Japanese market leader in Europe with sales of nearly 400,000 units last year, expects to produce 77,000 sedans in 1990 at its plant in Sunderland, England. The British-built Bluebird will be replaced this fall by the Primera. Output at Sunderland will rise to 200,000 by 1992, when the Micra is added.

Czech truckmaker seeks partner

PRAGUE, Czechoslovakia — Tatra, the Czechoslovakian producer of trucks and limousines, is looking for a Western partner.

Truck joint-venture talks are said to be under way with MAN AG, Iveco BV and Volvo Truck Corp. Sources here say Volvo has the inside track.

The Czech government hopes for a decision within a few months.

Tatra is one of Eastern Europe's largest truck producers and has a sizable export operation. It also has a large dealer network in Eastern Europe, an asset that would be attractive to a Western truckmaker.

With increasing trade between East and West, all Western truckmakers are looking for improved sales and service networks in the East. Any deal with Tatra is likely to include sales and service for the Western maker's customers.

MEDICAL AND PENSION BENEFITS COMPARED

Company	Medical Highlights	Pension Highlights
Ford	No payroll deductions; some co-pay	Full benefits after 30 years; $1,500/month, less Social Security benefits
GM	No payroll deductions; some co-pay	Full benefits after 30 years; $1,500/month, less Social Security benefits
Chrysler	No payroll deductions; some co-pay	Full benefits after 30 years; $1,500/month, less Social Security benefits
Honda	No payroll deductions; no deductibles; no vision; some co-pay	2.5% of base earnings invested annually
Subaru-Isuzu	No payroll deductions; some deductibles; some co-pay	Minimum of 5% of base pay invested annually
NUMMI	No payroll deductions; no co-pay	Full benefits after 40 years; $1,250/month
Diamond-Star	Comprehensive plan including vision begins 9/1/91; some co-pay; some deductible	Maximum benefit after 35 years; 49% of average earnigns, less Social Security benefits.
Nissan	12.5% of cost paid by deduction; no deductibles	Maximum benefit: 50% of average annual earnings, less Social Security benefits
Mazda	No payroll deductions; some co-pay	Full benefits after 30 years; $1,500/month less Social Security benefits
Toyota	No payroll deductions; some deductibles; some co-pay; no vision	4% of wages invested annually

WAGE-BENEFIT COMPARISON

	Ford	GM	Chrysler	Honda[3]	Subaru-Isuzu[3]	NUMMI	Diamond-Star	Nissan[3]	Mazda	Toyota[3]
Wages[1][2][3] ($ per hour)										
Production	16.74[4]	16.24	16.27[4]	14.55	13.94	16.81	13.48	13.95	15.13	14.23[4]
Maintenance	18.20[4]	17.33	16.27[4]	16.75	16.58	19.74	15.58	16.44	15.85	16.28[4]
Bonuses	3% of qualified earnings	3% of qualified earnings	3% of qualified earnings	See profit sharing	No[5]	3% of qualified earnings	No	$1.55/hr. paid each 6 months	No	No
Profit sharing	1989: $1,025	1989: $50	No	1989: $1,601	See pension, other table	No	No	1989: 10.5% of 6 month bonus	No	No
Attendance award (max.)	$500	$600	$500	$1,820	No	See vacation	No	No	$1,500	Chance to win new Camry
Vacation (days)										
At 2 years	5	5	5	10	10	10-13.5[6]	13	10	10	10
At 7 years	15	10	10	15	15	12-16[6]	18	15	15	15
Max	25	20	20	15	25	18.5[6]	20	20	17	20
Paid Holidays	13	14	15	17	13	15	14	13	15	14

[1] Maximum of a range, unless otherwise noted
[2] Includes COLA
[3] Average, not maximum
[4] Average for all hourly workers
[5] No COLA program
[6] Estimated
[7] Due by Dec. 31
[8] Depending on attendance

Source: Automotive News research

PRODUCTION

Blockade fails to cut week's build

By Karen Detkowski
AUTOMOTIVE NEWS STATISTICIAN

For the second time in five weeks, independent Canadian truckers last Thursday blockaded entrances to the bridge and tunnel connecting Detroit and Windsor, Ontario. Automakers in the two countries reported no production cutbacks last week because of the blockade.

U.S. automakers scheduled production of 143,912 cars last week, 3.54 percent below the prior week but 16.02 percent above the year-ago week when plants had already begun changeover downtime.

So far this year, 3,191,347 cars have been produced, 16.83 percent below 1989.

Domestic truck producers slated 82,685 units last week, 12.19 percent below the previous week but 3.17 percent ahead of last year. The 1990 truck production total is 2,090,244, 9.07 percent below 1989.

Companies split last week's targeted output as follows: General Motors, 46.21 percent; Ford Motor Co., 24.30 percent; Chrysler Corp., 11.74 percent; Honda of America Manufacturing Inc., 6.11 percent; Toyota Motor Manufacturing U.S.A. Inc., 3.06 percent; New United Motor Manufacturing Inc., 2.85 percent; Mazda Motor Manufacturing Corp. USA, 2.28 percent; Diamond-Star Motors Corp., 2.01 percent; Nissan Motor Manufacturing Corp. U.S.A., 1.09 percent; and Subaru-Isuzu Automotive Inc., 0.35 percent.

Last week, GM scheduled Friday overtime at the Janesville, Wis., Cavalier plant and Saturday overtime at the Janesville truck plant.

Chrysler's Dodge City truck plant in Warren, Mich., is closed for model changeover and will resume operations July 16.

All Ford plants closed today for a two-week vacation. Production will resume July 16.

Diamond-Star Motors in Normal, Ill., closed today for a one-week model changeover.

Honda's assembly plants are closed this week for vacation. Operations will resume July 9.

All U.S. plants will be closed Wednesday in observance of Independence Day.

Cars and trucks slip in Canada

Canadian auto producers scheduled 24,842 units last week, 4.32 percent below the prior week, but 45.74 percent above the 1989 week.

So far this year 543,233 cars have been produced, 4.33 percent more than the year-earlier period.

Last week's estimated truck production of 19,026 fell 5.24 percent below the previous week and 1.94 percent below the year-ago week.

Year-to-date, 475,590 trucks have been assembled, 8.78 percent below last year's total.

Canadian assembly plants are closed today in observance of Canada Day.

Chrysler began model changeover today at its Windsor, Ontario, minivan plant.

The plant will assemble restyled mini-vans when it reopens July 30.

All Ford plants closed today for a two week vacation.

U.S. CAR	Week Ended June 30, 1990	Week Ended July 1, 1989	Week Ended June 23, 1990	June Est.	Jan. 1 to June 30, 1990	Jan. 1 to July 1, 1989
Horizon	0	1,208	0	0	4,327	11,527
Sundance	2,600	2,570	2,083	9,915	41,903	62,461
Acclaim	2,800	3,141	3,797	13,653	53,140	67,933
Total Plymouth	5,400	6,919	5,880	23,568	99,370	141,921
LeBaron A	0	0	0	43	9,325	0
LeBaron J	1,400	0	1,433	5,894	24,251	55,273
LeBaron GTS	0	0	0	0	0	2,946
N. Yorker C-Class	1,400	1,867	1,932	6,866	23,068	57,245
Fifth Avenue	800	0	1,147	3,889	16,982	0
Imperial	200	0	245	996	8,298	0
Total Chrysler	3,800	1,867	4,757	17,689	81,924	115,464
Omni	0	1,063	0	0	4,078	12,637
Daytona	900	0	942	3,886	17,206	46,536
Shadow	2,500	2,198	2,652	11,759	48,519	59,283
Dynasty	2,300	3,059	3,219	11,341	59,791	83,075
Lancer	0	0	0	0	0	1,528
Spirit	2,000	2,001	2,875	10,073	49,398	58,380
Total Dodge	7,700	8,321	9,688	37,059	178,992	261,439
CHRYSLER MOTORS	16,900	17,107	20,325	78,315	360,286	518,824
Escort	5,521	0	6,143	20,437	107,991	167,939
Mustang	3,705	4,419	3,643	15,301	76,690	118,201
Tempo	2,969	2,920	3,271	13,196	71,678	81,050
Taurus	7,633	7,952	7,353	32,601	188,805	205,368
Thunderbird	3,812	2,670	3,188	13,000	63,235	88,521
Total Ford Div.	23,640	17,961	23,598	94,535	508,399	661,079
Topaz	1,431	1,509	1,129	5,113	27,115	37,358
Cougar	1,813	2,670	2,307	10,083	42,245	74,275
Sable	3,044	2,482	2,976	11,115	56,485	66,521
Total Mercury	6,288	6,661	6,412	26,311	125,845	178,154
Continental	1,505	1,428	1,506	6,316	30,988	37,487
Mark VII	485	478	503	2,026	12,837	13,221
Town Car	3,046	2,871	3,004	12,637	83,792	69,805
Total Lincoln	5,036	4,777	5,013	20,978	127,617	120,513
Total L-M Div.	11,324	11,438	11,425	47,289	253,462	298,667
FORD MOTOR CO.	34,964	29,399	35,023	141,824	761,861	959,746
Skyhawk	0	0	0	0	0	6,857
Skylark/Somerset	2,002	1,497	2,250	8,966	47,120	31,082
Century	1,628	2,252	1,676	6,901	35,683	65,064
Riviera	483	0	465	2,102	12,240	11,348
Electra	1,247	1,232	790	3,652	17,575	43,168
LeSabre (fwd)	3,453	3,975	3,476	16,202	87,560	80,857
LeSabre (rwd)	0	83	0	488	4,020	8,056
Reatta	211	0	211	878	4,688	3,140
Total Buick	9,024	9,039	8,868	39,189	208,886	249,572
Eldorado	473	0	443	2,051	11,345	19,104
Seville	1,139	0	1,101	4,916	20,796	13,996
Brougham (rwd)	0	826	0	0	13,065	20,506
DeVille (fwd)	3,775	3,988	3,948	15,911	89,401	112,872
Allante	89	75	89	372	1,981	1,663
Total Cadillac	5,476	4,889	5,581	23,250	136,588	168,141
Cavalier	8,657	7,065	8,585	36,232	172,797	201,315
Camaro	2,010	1,770	2,061	8,546	35,188	66,234
Celebrity	0	1,786	0	0	0	68,492
Corsica/Beretta	6,180	7,184	6,239	25,807	145,476	221,175
Caprice	6,003	2,860	5,608	23,885	111,565	105,346
Corvette	555	491	557	2,295	12,482	13,719
Total Chevrolet	23,405	21,156	23,050	96,765	477,508	676,281
Calais	2,537	2,320	2,880	11,357	53,163	51,689
Cutlass Ciera	1,918	1,527	1,982	8,146	41,526	45,359
Cutlass Supreme	2,173	0	1,952	8,392	44,373	51,125
Toronado	257	0	233	1,095	9,040	4,845
88 (fwd)	3,085	2,753	3,535	12,391	54,758	84,277
88 (rwd)	0	207	0	0	2,295	4,515
98	1,425	1,027	1,676	5,994	30,447	41,799
Total Oldsmobile	11,395	7,834	12,258	47,376	235,602	283,609
Sunbird	3,685	3,266	3,745	16,339	79,950	80,609
Grand Am	5,280	5,031	5,340	22,181	105,825	129,662
Firebird	1,293	900	1,316	5,523	21,937	36,145
Grand Prix	3,663	0	3,328	13,828	60,319	69,565
Pontiac 6000	1,445	714	1,449	6,005	30,976	42,292
Bonneville	1,846	1,940	2,202	7,781	42,689	51,986
Safari/Parisienne	0	0	0	0	0	2,690
Total Pontiac	17,212	11,851	17,380	71,657	341,696	412,949
GENERAL MOTORS	66,512	54,769	67,137	278,237	1,400,280	1,790,552
DIAMOND-STAR	2,894	1,536	3,077	11,713	72,357	26,493
HONDA	8,791	7,690	8,825	37,056	224,285	198,219
Civic	2,130	2,700	2,299	9,850	62,110	67,395
Accord	6,661	4,990	6,526	27,206	162,175	130,824
MAZDA†	3,285	3,474	4,351	15,806	90,104	119,630
NISSAN	1,570	2,502	1,569	6,676	50,049	61,637
NUMMI	4,100	4,289	4,071	17,507	106,992	103,286
Corolla	2,000	1,686	1,970	8,497	53,744	41,638
Geo Prizm/Nova	2,100	2,603	2,101	9,010	53,248	61,648
SUBARU-ISUZU	498	0	438	1,973	12,976	0
TOYOTA	4,398	3,278	4,379	18,310	112,157	58,798
Total Cars, U.S.	143,912	124,044	149,195	607,417	3,191,347	3,837,185
Total Cars, Canada	24,842	17,046	25,964	106,543	543,233	520,678
U.S., Canada Cars	168,754	141,090	175,159	713,960	3,734,580	4,357,863
U.S., Canada Cars and Trucks	270,465	240,640	289,397	1,179,941	6,300,414	7,177,953

Monthly estimates may contain error of one or two units due to rounding.
†—Total includes MX-6, 626, and Ford Probe
*—Estimated

CANADIAN CAR	Week Ended June 30, 1990	Week Ended July 1, 1989	Week Ended June 23, 1990	June Est.	Jan. 1 to June 30, 1990	Jan. 1 to July 1, 1989
Monaco	0	0	0	0	5,132	0
Premier	0	0	0	0	2,808	22,380
CHRYSLER MOTORS	0	0	0	0	7,940	22,380
Tempo	3,780	0	3,238	14,119	68,502	72,675
Topaz	978	0	1,371	4,956	25,016	30,780
Crown Victoria	3,054	2,411	2,956	11,755	64,378	68,788
Grand Marquis	1,701	2,390	1,793	8,227	56,651	74,384
FORD MOTOR CO.	9,513	4,801	9,358	39,057	214,547	246,627
Celebrity	1,069	1,026	1,317	5,048	16,295	11,648
Cutlass Ciera	2,180	2,570	2,446	9,965	44,557	83,951
Lumina	4,645	5,138	5,350	21,724	114,719	62,576
Regal	3,355	1,341	3,346	13,458	45,447	40,222
GENERAL MOTORS	11,249	10,075	12,459	50,195	221,018	198,397
HONDA	2,150	1,650	2,297	9,368	54,299	42,503
HYUNDAI	500	0	327	1,660	9,494	0
TOYOTA	1,250	340	1,343	5,508	31,366	6,268
VOLVO	180	180	180	754	4,569	4,503
Total Cars, Canada	24,842	17,046	25,964	106,543	543,233	520,678

U.S. TRUCK	Week Ended June 30, 1990	Week Ended July 1, 1989	Week Ended June 23, 1990	June Est.	Jan. 1 to June 30, 1990	Jan. 1 to July 1, 1989
Caravan	2,000	1,994	2,525	9,649	58,569	58,093
Dakota	0	0	1,389	5,216	37,466	55,031
Caravan C/V	100	107	171	713	3,748	4,553
Ram pickups	0	0	2,131	7,850	55,393	55,132
Total Dodge	2,100	2,101	6,216	23,429	155,176	172,809
Cherokee	4,000	3,954	3,896	16,810	88,314	121,944
Comanche	200	503	201	853	4,215	16,714
Grand Wagoneer	300	0	335	1,261	3,580	6,853
Wagoneer	100	94	123	543	2,241	4,394
Total Jeep	4,600	4,551	4,555	19,466	98,350	149,905
Voyager	1,800	1,861	2,219	8,534	55,140	55,045
Town & Country	50	179	117	417	1,922	1,402
Total C-P Div.	1,850	2,040	2,336	8,951	57,062	56,447
CHRYSLER MOTORS	8,550	8,692	13,107	51,846	310,588	379,161
Aerostar	5,000	4,975	4,917	21,101	107,389	127,802
Bronco	1,259	1,367	1,254	5,133	28,339	42,934
Bronco II	5,734	2,804	6,637	25,343	87,928	69,814
Econoline	4,414	4,300	4,420	19,076	103,634	129,042
Mediums/Heavies	1,220	1,153	1,336	5,650	28,440	35,273
Light trucks	10,757	11,614	10,755	44,859	241,412	292,394
Ranger	5,907	7,413	6,361	25,613	153,599	183,150
Total Ford Div.	34,291	33,626	35,680	146,774	750,741	878,409
FORD MOTOR CO.	34,291	33,626	35,680	146,774	750,741	878,409
Astro	2,068	3,004	2,730	10,937	60,533	87,320
Blazer	292	522	354	1,428	8,922	14,820
Lumina APV	2,175	0	2,108	8,686	51,515	0
Mediums/Heavies	270	0	275	1,274	5,322	1,312
P-Model	492	866	629	2,433	13,158	18,746
Pickups	5,755	7,946	7,423	29,059	178,924	207,658
S-10	4,133	4,851	4,965	19,642	119,428	140,337
S-10 Blazer	3,707	4,138	3,532	16,605	72,419	100,432
Sportsvan/Van	1,435	2,021	1,779	6,959	36,379	50,663
Suburban	1,167	1,489	1,376	5,637	34,602	41,414
Total Chevrolet	21,494	24,837	25,171	102,658	581,202	662,702
Jimmy	86	158	107	435	2,830	4,457
Mediums/Heavies	450	0	588	2,299	9,109	1,496
P-Model	68	119	58	255	1,565	2,487
Pickups	2,149	2,133	2,503	10,110	62,892	62,347
S-15	843	884	1,010	4,019	28,299	32,896
S-15 Jimmy	1,370	885	2,070	6,469	23,888	28,571
Safari	940	792	1,247	4,675	21,949	22,497
Suburban	733	555	913	4,008	17,286	16,415
Vandura/Rally Vans	533	467	710	2,728	13,046	13,810
Total GMC	7,172	5,993	9,206	34,999	180,864	184,976
Olds Silhouette	1,213	0	1,197	4,837	18,985	0
Pontiac Trans Sport	1,068	0	1,061	4,361	27,935	0
GENERAL MOTORS	30,947	30,830	36,635	146,856	808,986	847,678
NAVISTAR	1,592	1,400	1,595	6,644	37,612	45,166
NISSAN	3,230	2,150	3,259	13,777	79,086	65,288
SUBARU-ISUZU	625	0	434	2,045	12,841	0
AM GENERAL*	450	450	450	1,890	11,790	11,430
MISCELLANEOUS*	3,000	3,000	3,000	12,600	78,600	71,600
Total Trucks, U.S.	82,685	80,148	94,160	382,432	2,090,244	2,298,732

CANADIAN TRUCK	Week Ended June 30, 1990	Week Ended July 1, 1989	Week Ended June 23, 1990	June Est.	Jan. 1 to June 30, 1990	Jan. 1 to July 1, 1989
Caravan	2,880	2,320	3,010	13,137	82,725	77,600
Caravan C/V	0	316	0	24	5,619	6,901
Ram Wagon	615	690	715	2,879	14,587	15,162
Ram Van	1,305	1,715	1,607	6,400	31,866	39,005
Total Dodge	4,800	5,041	5,332	22,440	134,797	138,668
Voyager	2,240	2,373	2,152	9,673	66,255	69,417
Total Plymouth	2,240	2,373	2,152	9,673	66,255	69,417
Wrangler	1,500	1,555	1,580	6,703	30,708	44,245
Total Jeep	1,500	1,555	1,580	6,703	30,708	44,245
CHRYSLER MOTORS	8,540	8,969	9,064	38,816	231,760	252,330
FORD MTR. (lt. trks.)	3,431	3,471	3,441	14,720	77,351	89,577
Light trucks	3,420	3,409	3,662	15,015	88,919	83,388
Vans	1,372	1,237	1,621	5,823	26,202	34,494
Total Chevrolet	4,792	4,646	5,283	20,838	115,121	117,882
Light trucks	1,460	1,351	1,605	6,309	34,462	38,077
Vans	578	694	460	2,145	11,621	16,912
Total GMC	2,038	2,045	2,065	8,454	46,083	54,989
GENERAL MOTORS	6,830	6,691	7,348	29,292	161,204	172,871
NAVISTAR	225	271	225	721	5,275	6,580
Total Trks., Canada	19,026	19,402	20,078	83,549	475,590	521,358
U.S., Canada Trks.	101,711	99,550	114,238	465,981	2,565,834	2,820,090

*—Estimated
Miscellaneous includes estimates for Mack, Volvo-White, Kenworth, Peterbilt, Freightliner, Mercedes-Benz, etc.